

Aberdeen Standard OEIC II (Formerly Standard Life Investment Company)

Annual Long Report
For the year ended 29 February 2020



Contents

Report of the Authorised Corporate Director	03
Statement of the Authorised Corporate Director's Responsibilities	05
Authorised Corporate Director's Statement*	05
Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary	06
Independent auditor's report to the shareholders of Aberdeen Standard OEIC II ('the Company')	07
Investment Report*	09
Ethical Funds Advisory Group Report	11
Accounting Policies for all sub-funds	13
Investment Review*, Portfolio Statement* and Financial Statements	
ASI (SLI) Asian Pacific Growth Equity Fund	16
ASI (SLI) Corporate Bond Fund	37
ASI (SLI) Emerging Markets Equity Fund	66
ASI AAA Bond Fund	87
ASI American Income Equity Fund	124
ASI American Unconstrained Equity Fund	151
ASI Emerging Market Government Bond Fund (closed)	172
ASI Emerging Markets Income Equity Fund	194
ASI Europe ex UK Growth Equity Fund	222
ASI Europe ex UK Income Equity Fund	242
ASI Europe ex UK Smaller Companies Fund	270
ASI Global Balanced Growth Fund	288
ASI Global Income Equity Fund	325
ASI Global Smaller Companies Fund	357
ASI Global Unconstrained Equity Fund	378
ASI High Yield Bond Fund	399
ASI Investment Grade Corporate Bond Fund	433
ASI Japanese Growth Equity Fund	468
ASI Short Duration Credit Fund	490
ASI UK Ethical Equity Fund	520
ASI UK Government Bond Fund	543
ASI UK Growth Equity Fund	566
ASI UK High Alpha Equity Fund	588
ASI UK High Income Equity Fund	613
ASI UK Opportunities Equity Fund	642
ASI UK Recovery Equity Fund	666
ASI UK Smaller Companies Fund	685
Global Emerging Markets Equity Unconstrained Fund (closed)	710
Remuneration Policy (unaudited)	716
Further Information	729

* These items comprise the Manager's Report for the purposes of the rules contained in the Collective Investment Schemes sourcebook ("the Sourcebook").

Report of the Authorised Corporate Director

Aberdeen Standard OEIC II (the “Company”), is an open-ended investment company with variable capital. The Company is incorporated in Scotland with registered number SI000004 and is currently authorised pursuant to Regulation 14 of the Open-Ended Investment Companies Regulations 2001 (the “OEIC Regulations”). The effective date of the authorisation order made by the Financial Conduct Authority (the “FCA”) was 22 May 1998.

The Company is constituted as a UCITS scheme for the purposes of the FCA Rules. Its FCA Product Reference Number (“PRN”) is 186564. It has an umbrella structure scheme for the purposes of the Collective Investment Schemes Sourcebook (“COLL”) and consists of twenty six live sub-funds.

Appointments

Authorised Corporate Director	Correspondence address	Depositary	UK Branch Office
Aberdeen Standard Fund Managers Limited Registered office Bow Bells House 1 Bread Street London EC4M 9HH	PO Box 12233 Chelmsford Essex CM99 2EE	Citibank Europe plc, acting through its UK Branch Registered office 1 North Wall Quay Dublin Ireland	Citigroup Centre Canada Square Canary Wharf London E14 5LB
Independent Auditor	Registrar	Investment Adviser	
KPMG LLP St Vincent Plaza 319 St Vincent Street Glasgow G2 5AS	SS&C Financial Services International Limited SS&C House St Nicholas Lane Basildon Essex SS15 5FS	Standard Life Investments Limited Registered office 1 George Street Edinburgh EH2 2LL	

The Authorised Corporate Director (the ACD), Aberdeen Asset Managers Limited, Aberdeen Standard Investments (Asia) Limited, and Aberdeen Asset Management plc are wholly owned subsidiaries of Standard Life Aberdeen plc, and are accordingly associates. The Investment Advisers have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company. The main terms of the agreement with each investment adviser are that it should have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company, including the Company's powers to enter into hedging transactions relating to efficient portfolio management. The adviser's powers extend to all of the property of the Company except any part which the ACD excludes from the adviser's powers. The adviser is to report details of each transaction to the ACD and to confer with the ACD when required by it. The ACD will notify the adviser of additional cash available for the investment.

The ACD of the Company is Aberdeen Standard Fund Managers Limited, a private company limited by shares which was incorporated in England and Wales on 7 November 1962. Its ultimate holding company is Standard Life Aberdeen plc, which is incorporated in Scotland.

The ACD is the sole director and is authorised and regulated by the FCA for investment business.

The following items within each sub-fund report along with the Investment Report form part of the ACD's report: Comparative Tables, Synthetic Risk and Reward Indicator and Portfolio Statement.

Financial details and fund managers' reviews of the individual sub-funds for the year ended 29 February 2020 are given in the following pages of this report. Where performance comparisons are made, the unit valuations used are at close of business of the final day of the year under review.

Each sub-fund has the investment powers equivalent to those of a securities company.

Each sub-fund has an individual investment objective and policy and each differs in regard to the extent to which they concentrate on achieving income or capital growth. There may be sub-funds added to the umbrella of the Company (with consent of the FCA and the Depositary) in the future.

The sub-funds are valued on a mid-price basis and dealt at a single price regardless of whether a purchase or sale is being affected. The daily price for each sub-fund appears on the Aberdeen Standard Investments website at aberdeenstandard.com.

The sub-funds are segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other sub-fund, and shall not be available for any such purpose.

The shareholders are not liable for the debts of the Company.

All fees charged by the Investment Adviser will be borne by the ACD.

There were no cross holdings between sub-funds in the Company as at 29 February 2020 (2019: nil).

Significant Events

- On 7 August 2019 the Company changed its name from the Standard Life Investment Company to Aberdeen Standard OEIC II. At this time an "ASI" pre-fix was added to the names of the underlying sub-funds of the Company as well as a number of the sub-fund names changing to bring consistency over the ASI range. Additionally at this time the Investment Objective and Policy ("IOP") of the sub-funds were updated to reflect regulatory changes and improve the clarity of the wording. Further details of these changes can be found at <https://www.aberdeenstandard.com/en/uk/investor/fund-centre/investor-communications>.
- Investors will be aware of the COVID-19 outbreak and that the outlook for many capital markets is significantly different now than at 29 February 2020, the year end of the Aberdeen Standard OEIC II. As a result, the NAVs of certain sub-funds have declined significantly since the year end. The subsequent events note within the sub-fund financial statements provides a quantification of this decline in NAV.

The Management Company has delegated various tasks to Aberdeen Standard Investments Investor Protection Committee (IPC). The IPC is responsible for ensuring the fair treatment of investors. The IPC undertakes daily reviews of the following:

- Market liquidity across each asset class and Fund;
- Asset class bid-offer spread monitoring;
- Review of fund level dilution rate appropriateness;
- Review of daily subscriptions/redemptions to anticipate any potential concerns to meet redemption proceeds;
- Any requirement to gate or defer redemptions;
- Any requirement to suspend a Fund(s);
- Any fair value price adjustments at a Fund level.

The Management Company has also evaluated, and will continue to evaluate, the operational resilience of all service providers.

As at 25 June 2020, no sub-funds have been suspended and based on the Manager's assessment of the factors noted above, has adequate financial resources to continue in operation.

Developments and prospectus updates since 28 February 2019

- On 16 May 2019 an ex-gratia payment was made from Aberdeen Standard Fund Managers Limited to the ASI UK Government Bond Fund. The impact on the NAV of this payment was 0.30%.
- On 7 August 2019 as part of the merger of Standard Life plc and Aberdeen Asset Management plc, we harmonised our supplier relationships which resulted in changes to the Depositary's remuneration and expenses. The details of the new rates are included within the prospectus dated 7 August 2019. The changes do not result in a material impact to the Company.
- On 7 August 2019 the sub-custodians of the fund were updated.
- On 9 August 2019 the ASI Emerging Market Government Bond Fund Retail Income share class was closed.
- The ASI Emerging Market Government Bond Fund was closed on 27 January 2020.
- Performance figures have been refreshed to show additional calendar year performance for the past 5 years.
- The list of funds managed by the ACD was updated, where appropriate.
- Performance and dilution figures were refreshed, where appropriate.

Assessment of Value

In 2017 the Financial Conduct Authority (FCA) published the final Asset Management Market Study. This introduced (among other reforms) new governance rules with the aim of enhancing duty of care and ensuring the industry acts in investors' best interests. The rules were outlined in the FCA Policy Statement PS18/8 and came into effect from 30 September 2019. As a result, the Authorised Corporate Director is required to perform a detailed assessment on whether funds are "providing value to investors". The resulting findings will be published within 4 months of the fund year-end date and can be found on the 'Fund Centre' pages on the Aberdeen Standard Investments website at aberdeenstandard.com.

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net income or expense and net gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association* in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

*The investment Management Association changed its name to the Investment Association (IA) in January 2015.

Authorised Corporate Director's Statement

In accordance with the requirements of the COLL Sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of Aberdeen Standard Fund Managers Limited, the Authorised Corporate Director.



Aron Mitchell
Director
Aberdeen Standard Fund Managers Limited
25 June 2020



Gary Marshall
Director
Aberdeen Standard Fund Managers Limited
25 June 2020

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Aberdeen Standard OEIC II ("the Company") for the year ended 29 February 2020

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
- (iii) has, otherwise, ensured the proper operation of the Company.



Citibank Europe plc
UK Branch, London
25 June 2020

Independent auditor's report to the shareholders of Aberdeen Standard OEIC II ('the Company')

Opinion

We have audited the financial statements of the Company for the year ended 29 February 2020 which comprise the Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub-funds listed on Contents page and the accounting policies set out on pages 13 to 15.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, of the financial position of each of the sub-funds as at 29 February 2020 and of the net revenue/deficit of revenue and the net capital gains/net capital losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non going concern basis of preparation

In respect of ASI Emerging Market Government Bond Fund and Global Emerging Markets Equity Unconstrained Fund, we draw attention to the disclosure made in accounting policy (a) "Basis of accounting" to the financial statements which explains that the financial statements of the sub-funds have not been prepared on going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Going concern

The Authorised Corporate Director has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its sub-funds or to cease their operations and as they have concluded that the Company and its sub-funds' financial position means that this is realistic except for ASI Emerging Market Government Bond Fund and Global Emerging Markets Equity Unconstrained Fund. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks to the company's and its sub-funds' business model, and analysed how those risks might affect the company's and its sub-funds' financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company or its sub-funds will continue in operation.

Other information

The Authorised Corporate Director is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

Authorised Corporate Director's responsibilities

As explained more fully in their statement set out on page 5 the Authorised Corporate Director is responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Archer
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
25 June 2020

Investment Report

1 March 2019 - 29 February 2020

Global Overview

Global stock markets produced positive returns over the last 12 months. Central banks cut interest rates because of economic weakness, which boosted sentiment. However, market weakness so far in 2020 after the coronavirus outbreak has tempered returns. Government bond prices also finished ahead, as investors continued to favour perceived lower-risk assets.

The year started well for investors, as growing optimism over a US-China trade resolution helped lift investor confidence. So, too, did signals from the US Federal Reserve (Fed) that it would adopt a more patient approach to monetary policy. Markets continued to move ahead before pulling back in May, when an escalation in the US-China trade dispute dashed hopes of an imminent resolution. Equities soon rallied, however, as the US and China agreed to restart trade talks.

Major central banks also hinted at plans for economic stimulus measures. Indeed, the Fed cut interest rates for the first time in a decade in July. It then made further cuts in September and October. The European Central Bank (ECB) also trimmed rates and announced bold new stimulus measures.

Global equities continued to forge ahead in the final months of 2019, with a breakthrough in the US-China trade war fuelling the rise. However, global share prices suffered a downturn in February, with many major indices enduring their worst week since the 2008 financial crisis. Concerns about the coronavirus dominated investor sentiment.

Individual market overviews

UK equities were down over the 12 months, lagging behind those trading on other developed markets. Although UK shares performed well in the early months of 2019, they fell once again in May. Prime Minister Theresa May announced her resignation as MPs once more moved to reject her European Union Withdrawal Agreement. Her successor, Boris Johnson, ejected most of the previous cabinet and appointed fellow pro-leave supporters in their stead. The political twists and turns ended with the UK parliament voting in favour of a snap election. The Conservative Party won a conclusive victory in the vote, which took place in December. On 31 January 2020, the UK officially left the EU. In February, UK equities tumbled in line with their global peers, as investor fears about the effects of the coronavirus increased.

US equities made a healthy return over the 12 months. This was despite a sharp sell-off at the end of February due to the spread of the coronavirus. The period started brightly when the Fed softened its tone on rate hikes. This was the catalyst for a market rally. July saw interest rates cut for the first time since 2008. However, investor reaction was mixed as the Fed obfuscated on the reasons why it acted. Nevertheless, it made more cuts in September and October, leaving investors in no doubt of its intentions – providing stimulus to the US economy and, in doing so, supporting equity markets. 2019 ended on an optimistic note, with the US and China agreeing to sign a phase-one trade agreement. While this enthusiasm spilt over into early January, the market received a significant jolt from an outbreak of the coronavirus in China. This overrode all other worries as the virus quickly spread, driving global recession fears.

European equities produced a reasonably healthy return over the 12-month period, but this masked a sharp late sell-off. Rising inflation concerns and higher interest rates were an initial worry for investors. Meanwhile, economic growth in the Eurozone halved in the second quarter of 2019, rising just 0.2%. Ongoing economic weakness eventually led the ECB to cut interest rates and restart its bond-buying programme. This was a fillip for Eurozone shares. Market gains accelerated towards the end of 2019 on signs of improving industrial output in China, clarity on Brexit and a phase-one trade agreement between the US and China. However, investor confidence was severely dented in 2020 by the spread of the coronavirus from China. The implications for global growth weighed on investors, and European equity markets sold off sharply on recession fears.

Japanese equities were fractionally down in yen terms. Much of the review period had been relatively positive, if somewhat volatile. For example, better-than-forecast second-quarter GDP growth of 1.8% offset deterioration in Japan's trade relations with South Korea. At the close of 2019, hopes of further stimulus measures boosted Japanese share prices. A senior minister confirmed the government is looking to launch a 13 trillion yen (US\$119 billion) spending package to bolster the economy. However, the coronavirus outbreak in 2020 rocked markets and wiped out all previous gains.

Asian equities were marginally ahead for the period in both US dollar and sterling terms. The start of the period was characterised by fears around global growth and the ongoing US-China trade war. In response, the world's central bankers said they would act to support their respective economies. This supported markets over much of the period. However, the coronavirus outbreak in 2020 is now front and centre of investors' minds and markets have tumbled.

Bond markets

Turning to fixed income, government bond markets produced positive returns in the face of a slowing world economy and trade tensions. Central banks around the world are cutting interest rates to combat the slowdown. This boosted demand for bonds (lower interest rates mean investors could gain more income from bonds than cash deposits). Latterly, fears over the coronavirus outbreak – which has spread from China to other parts of the world – have influenced markets. Corporate bonds, which had performed well, fell as the economic effect of a pandemic became clearer.

Outlook for equities

The recent coronavirus outbreak looks likely to disrupt the nascent global economic recovery. The shutdown of parts of China will have knock-on effects – particularly on countries with the strongest trade and tourism links to the world's second-largest economy. We expect some governments will use targeted fiscal aid to support affected sectors, alleviating some of the impact. Meanwhile, the fragile truce between the US and China offers investors some respite from geopolitical tensions. However, both governments have offered few indications on the timing for further talks.

Outlook for bonds

Political and economic factors will continue to dominate fixed income markets. Central banks have become more dovish. This has become more pronounced in the wake of the coronavirus outbreak and the accompanying financial market turmoil. Fears are growing that economic slowdown resulting from the outbreak could tip countries into recession. Vulnerability across markets should continue to be favourable for government bonds. The outlook for corporate bonds is less clear. Many companies have revised their 2020 forecasts given the spread of the virus.

Ethical Funds Advisory Group Report

Ethical Funds Advisory Group Report

Aberdeen Standard Investments is responsible for managing several ethical funds. The Aberdeen Standard Investments Ethical Funds are managed according to clearly defined investment mandates and the range of available investments is underpinned by established policies and independent research data on their ethical credentials.

The Aberdeen Standard Investments Ethical Funds Advisory Group

The Aberdeen Standard Investments Ethical Funds Advisory Group is chaired by the Global Head of Distribution Governance and Risk. It comprises of investors in the ethical funds and senior Aberdeen Standard Investments group managers with involvement in managing and marketing the Funds and their associated products. The Group generally meets twice a year and is responsible for ensuring the ethical policy for these Funds is applied correctly, that the Policy continues to reflect the concerns of investors in the ethical funds and that the processes supporting the application of the Policy are robust.

This involves:

- considering current ethical issues and trends and the implications for the Funds
- reviewing investment and marketing reports
- ensuring that Aberdeen Standard Investment's process for ethical investment is observed
- reviewing and addressing customer queries and
- commissioning market and customer research on ethical issues

Funds' Criteria

The ethical funds are invested according to the positive and negative criteria set out in the ethical policy. The funds do not invest in companies that fail the negative criteria and favour investment in companies that meet the positive criteria.

Issues Arising

The Group discussed a number of issues during the period relating to companies' individual approaches to corporate responsibility. Due consideration was given to reviewing the ethical funds' policy. Topics discussed by the Group included the 2019 annual investor survey, current ethical issues, climate change and a number of specific company reviews.

Voting record – ASI UK Ethical Equity Fund

We voted against remuneration resolutions at the AGMs of TUI, Micro Focus International, Relx, Standard Chartered, IWG, Vesuvius, Centaur Media, Avast, boohoo, JD Sports, Aveva, Entertainment One, Ashmore Group, Ferguson, Diploma, Hyve Group and Grainger. In the case of Micro Focus International, Relx, JD Sports and Ashmore Group we also voted against the re-election of the members of the Remuneration Committee to emphasise our views.

At the AGM of Superdry we voted against shareholder resolutions to elect the founder, Julian Dunkerton, and his nominee, Peter Williams, to the board. We felt that their appointment was not in the best interests of the company and our clients.

We voted against the resolutions submitted by the activist investor, Edward Bramson, at the Barclays AGM. We did not believe that the nomination of Mr Bramson as a director was in the best interests of the company and our clients.

We voted against the appointment of the chairs of the Nomination Committees at EMIS Group, Mitchells & Butlers and Prudential due to the lack of gender diversity on the boards of these companies. We also voted against the resolution to accept the financial statements at the Entertainment One AGM due to the lack of diversity on the board. We are strong supporters of the Hampton-Alexander review and believed that these companies had failed to show sufficient action to meet the levels of gender diversity promoted by this review.

At the general meetings of boohoo and JD Sports we voted against the appointment of the auditor. At boohoo the auditors, PwC, also provided remuneration advice and at JD Sports KPMG have been auditors for 23 years which is beyond the 20 year tenure limit which we apply.

At the Clinigen general meeting we voted against the re-election of one of the directors as we believed him to have too many board mandates in order to dedicate sufficient time to his role.

We voted against the recommended cash acquisition of Inmarsat by Connect Bidco Limited as we felt that the offer did not reflect the full potential of the company over the long term.

ASI UK Ethical Equity Fund also has a holding in Phoenix Group in which Standard Life Aberdeen has a strategic 19% shareholding and two representatives appointed to the Board. Due to the nature of this relationship and the accompanying conflicts of interest we did not instruct a vote on behalf of our clients on any of the resolutions at the general meeting.

Investor opinion

Investors in the ethical funds continue to make a valuable contribution to the Groups understanding of ethical concerns, in particular, through participation of investors on the Advisory Group and the annual survey of investors' views. The 2019 investor survey focused on a number of issues, including fossil fuels, the SDGs, and environmental degradation. The survey continues to inform the policy of the ethical funds.

Further information

For any additional information, please write to Amanda Young, Secretary to the Ethical Funds Advisory Group, Aberdeen Standard Investments, 6 St Andrew's Square, Edinburgh, EH2 2AH.

Amanda Young

Secretary to the Ethical Funds Advisory Group

12 March 2020

Accounting Policies for all Funds

a. Basis of preparation

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014, Financial Reporting Standard (FRS) 102 and United Kingdom Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis with the exception of the ASI Emerging Market Government Bond Fund and the Global Emerging Markets Equity Unconstrained Fund which the ACD intend to terminate once all its residual assets and liabilities are settled.

The ACD has considered the impact of the emergence and spread of COVID-19 and potential implications on future operations of the sub-funds of reasonably plausible downside scenarios. The ACD has undertaken a detailed assessment, and continues to monitor, the sub-funds' ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have adequate financial resources to continue in operation and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

For all sub-funds prepared on a basis other than going concern noted above, no adjustments were required to the financial statements' to adjust assets or liabilities to their realisable values or to provide for liabilities arising from the decision to terminate the sub-funds. No liabilities have been recorded for costs of the terminations as the intention is that the Authorised Corporate Director will bear any such costs which may arise.

b. Valuation of investments

Listed investments have been valued at fair value as at the close of business on the reporting date. The SORP defines fair value as the market value of each security, in an active market, this is generally the quoted bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the ACD's best estimate of the amount that would be received from an immediate transfer at arm's length. The ACD has appointed a Fair Value Pricing (FVP) committee to review valuations.

Collective Investment Schemes are valued by reference to their net asset value. Dual priced funds have been valued at bid price. Single priced funds have been valued using the single price.

Any open positions in derivative contracts or forward foreign currency transactions at the year-end are included in the Balance Sheet at their mark to market value.

c. Foreign exchange

Assets and liabilities denominated in foreign currencies are translated into Sterling at the prevailing exchange rates as at the close of business on the reporting date.

Foreign currency transactions are translated at the rates of exchange ruling on the date of such transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

d. Dilution

In certain circumstances (as detailed in the Prospectus) the ACD may apply a dilution adjustment on the issue or cancellation of shares, which is applied to the capital of the relevant sub-fund on an accruals basis. The adjustment is intended to protect existing investors from the costs of buying or selling underlying investments as a result of large inflows or outflows from the sub-fund.

e. Revenue

Dividends on equities and preference stocks are recognised when the securities are quoted ex-dividend, or in the case of unquoted securities when the dividend is declared.

Overseas dividends are grossed up at the appropriate rate of withholding tax and the tax consequences are shown within the tax charge.

Revenue from collective investment schemes is recognised when the investments are quoted ex dividend.

Accumulation distributions from shares held in collective investment schemes are reflected as revenue and form part of the distribution.

Equalisation received from distributions or accumulations on units or shares in underlying investments is treated as capital and deducted from the cost of the investment.

Revenue from offshore funds is recognised when income is reported by the offshore fund operator.

Interest on bank deposits is recognised on an accruals basis.

Interest from fixed interest securities, interest rate swaps, inflation linked swaps and short-term deposits is recognised on a daily accruals basis.

Revenue arising from a debt securities comprises the coupon interest and the difference between the purchase price and the expected maturity price. The total revenue recognised on a debt security is spread over its expected remaining life at a constant rate.

Underwriting commission is taken to revenue and recognised when the issue takes place, except where the sub-fund is required to take up all or some of the shares underwritten in which case an appropriate proportion of the commission received is deducted from the cost of the relevant shares.

Stock dividends are recognised as revenue when they are quoted ex dividend. In the case of enhanced stock dividends, the value of the enhancement is recognised as capital.

Special dividends may be treated as repayments of capital or as revenue dependent on the facts of the particular case. Where receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend will be recognised as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividends are recognised as revenue.

Management fee rebates from collective investment schemes are recognised as revenue or capital on a consistent basis to how the underlying scheme accounts for the management fee. Where such rebates are revenue in nature, the income forms part of the distribution.

f. Expenses

All expenses other than those relating to the purchase and sale of investments are charged against revenue on an accruals basis in the Statement of Total Return, except for the Annual Management Charge (AMC) for the ASI UK High Alpha Equity Fund, the ASI UK High Income Equity Fund, and the ASI (SLI) Corporate Bond Fund, which is taken from capital. For the ASI Emerging Markets Income Equity Fund, ASI Global Income Equity Fund, the ASI UK Smaller Companies Fund, the ASI Europe ex UK Income Equity Fund and the ASI American Income Equity Fund, the AMC charge is taken from income in respect of accumulation shares and capital in respect of income shares.

Expenses relating to the purchases of investments are charged to the cost of investment and expenses relating to the sales of investments are deducted from the proceeds of sales.

g. Taxation

Provision is made for corporation tax at the current rate on the excess of taxable income over allowable expenses.

UK dividends are disclosed net of any related tax credit.

Overseas dividends are disclosed gross of any foreign tax suffered and the tax element is separately disclosed in the taxation note.

The tax accounting treatment follows that of the principal amount, with charges or reliefs allocated using the marginal basis regardless of any alternative treatment that may be permitted in determining the distribution.

Any windfall overseas tax reclaims received are netted off against irrecoverable overseas tax and therefore the irrecoverable overseas tax line in the taxation note may be negative.

The sub-funds; ASI (SLI) Asian Pacific Growth Equity Fund, ASI Global Unconstrained Equity Fund, ASI Europe ex UK Income Equity Fund and ASI Europe ex UK Growth Equity Fund are party to certain claims and proceedings to recover tax suffered in respect of overseas income. These claims and proceedings are considered to be contingent assets of the sub-funds and have not been recognised in these Financial Statements as the outcome of the claims and the potential recoveries are not sufficiently certain.

Deferred taxation is provided on all timing differences that have originated but not reversed by the balance sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent that it is regarded more likely than not that there will be taxable profits against which the reversal of underlying timing differences can be offset.

Withholding tax on accrued overseas dividends is netted off against accrued revenue in the debtors note. The tax charge relating to the movement in withholding tax on accrued overseas dividends is disclosed as current tax.

h. Distributions

All of the net revenue available for distribution at the end of both the interim and final distribution (where applicable) periods will be distributed. Where a sub-fund has accumulation shareholders, this will be reinvested. Where a sub-fund has income shareholders, this will be paid.

Where the ACD has discretion about the extent to which revenue and expenses are recognised within the distributable income property of the sub-fund, the approach adopted, at all times, will be governed by the aim of maximising the total return to shareholders through limiting avoidable taxation costs.

Where expenses are in capital, this will increase the distribution with a corresponding reduction to capital. For the purposes of calculating the distribution, on these classes, the effect of marginal tax relief between capital and revenue is not incorporated.

Further details with regards to the distribution policy and deductions from capital can be found in the sub-fund distribution note where it applies.

Gains and losses on non-derivative investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. Cash flows associated with derivative transactions are allocated between the revenue and capital property of the sub-funds according to the motives and circumstances of the particular derivative strategy. The investment manager articulates the motives and circumstances underlying the derivative strategy and the ACD assesses these in association with financial reporting constraints enshrined within the SORP to allocate the cash flows accordingly.

i. Equalisation

Equalisation appears within the sub-fund reports as part of the distribution. This represents the net revenue in the sub-funds share price attached to the issue and cancellation of shares. It will form part of any distributions at the period end attributable to shareholders.

j. Derivatives

Sub-funds with strategies that permit it, can make use of derivatives. Derivatives can be used to reduce risk or cost, or to generate additional capital or income consistent with the risk profile of the sub-fund (often referred to as “Efficient Portfolio Management”). Some strategies may permit use of derivatives with a higher or lower frequency or for investment purposes. The accounting for each derivative is applied consistently in line with the derivative type; the valuation policy and market convention. Market convention for derivatives is often based on total return; however where a sub-fund strategy or derivative type is defined with revenue in mind the accounting treatment can have a revenue element, forming part of the distribution, highlighted in the distribution policy. The Statement of Total Return captures all realised and unrealised gains regardless of nature. The Portfolio Statement will show the individual derivative contracts as net position in line with the valuation policy.

There are three broad transaction types: derivatives create a future asset or liability recognised as unrealised profit or loss until the date of maturity where cash is exchanged; swaps realise amounts of profit or loss in line with an agreed schedule until maturity; options recognise a premium paid or received, with the right or obligation to buy “call” or sell “put” an asset, exercised when the option owner is in the money. These transaction types break into three broad strategies.

Sub-funds with strategies spanning multiple currencies can make use of the following transactions in line with their policy: forward currency exchange contracts (a derivative of the exchange rate); cross currency swaps; currency options and other currency derivatives. These transactions relate to the future expectations of foreign exchange rates. The future expectation is based on the current interest rates projected to a forward date. Currency derivatives exchange one currency for another currency at a future date.

Sub-funds with strategies in debt instruments (bonds) can make use of the following transactions in line with their policy: bond future contracts (a derivative of the bond market or asset); credit default swaps; interest rate swaps; overnight index swaps; inflation swaps; interest rate options; swaptions; total return bond swaps and other bond related derivatives. These transactions relate to the future expectations on debt assets. The future expectations can be based on a an individual asset or a market. Bond derivatives can relate to the future credit expectations; interest rate expectations; inflation expectations or a combination of these.

Sub-funds with strategies in equity instruments (shares) can make use of the following transactions in line with their policy: equity future contracts (a derivative of the equity market or asset); variance swaps (differences in volatility between two assets); equity options; total return equity swaps and other equity related derivatives. These transactions relate to the future expectations on equity assets. The future expectations can be based on a an individual asset or a market. Equity derivatives relate to the future expectations in equity markets. Equity markets are subject to the variables found in bond markets, however there is not an explicit relationship to derive a price.

k. Collateral and margin

Sub-funds undertaking derivative transactions exchange investment assets based on legal agreements. In line with collective investment scheme rules and ASI policy collateral or margin must be exchanged to limit the exposure to investors should an agreement fail. Collateral is exchanged at an agreement level on a net basis following ASI policy at a counterparty level within a sub-fund. Collateral is monitored and where required exchanged daily. Collateral is bilateral in nature exchanged between the two counterparties in a transaction. Margin is similar to collateral limiting the risk for investors. The main difference is the exchange of initial margin, required before a contract is opened. Once opened the exchange of variation margin is monitored and where required exchanged daily. Both collateral and margin do not affect the valuation of the asset they are protecting or the sub-fund unless re-hypothecated (used to buy) into another investment asset. All sub-funds do not re-hypothecate but may use liquidity collective investments to manage cash effectively.

l. Effective yield

The sub-funds apply the concept of effective yield in daily pricing and for the periodic distribution of revenue, in accordance with the SORP.

Effective yield as defined by the SORP, is an income calculation that takes into account amortisation of any discount or premium on the purchase price over the remaining life of the security.

Applying effective yield to the income calculation may result in either higher or lower revenue than would be recognised on a coupon basis.

Where the sub-fund holds more bonds purchased at a discount to their par value, revenue is likely to be higher. Where the sub-fund holds more bonds purchased at a premium, revenue is likely to be lower. This will affect the distributions of the sub-funds.

ASI (SLI) Asian Pacific Growth Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in Asian equities (company shares).

Performance Target: To achieve the return of the MSCI AC Asia Pacific ex Japan Index +3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA Asia Pacific ex Japan Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in Asian countries, including Australasia, or companies that derive a significant proportion of their revenues or profits from Asian, including Australasia, operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term.
- In seeking to achieve the Performance Target, the MSCI AC Asia Pacific ex Japan is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI AC Asia Pacific ex Japan.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances,

cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 6.5%. This compared to a return of 7.3% for our performance target (the MSCI AC Asia Pacific ex Japan Index +3%).

Looking at the positives first, our exposure to the technology sector boosted returns. Core holdings, Taiwan Semiconductor Manufacturing Co and Samsung Electronics rose on the back of an expected recovery in memory chip and smartphone demand. Several of our mainland holdings also fared well. China Resources Land benefited from a recovery in sentiment as Beijing loosened residency restrictions in smaller Chinese cities. Truck engine maker Weichai Power climbed on expectations of steady demand in the heavy duty truck market. Additional highlights included Kweichow Mutail, CSL and Kotak Mahindra Bank.

Conversely, Indian telecoms equipment maker Tejas Networks was the biggest stock-level detractor, as weak June-quarter results weighed on its shares. Our Hong Kong holdings, including conglomerate Jardine Strategic, were hampered by the prolonged protests in the city. Meanwhile, Tobacco conglomerate ITC retreated on worries about a tax increase on cigarettes. Holdings in Woory, Cyient Limited and Treasury Wine Estate also disappointed.

Activity

We added two more mainland China holdings to the portfolio at the turn of the year. The first was SAIC Motor, China's largest carmaker by capacity. Its competitive advantage is based on volume scale, primarily through its joint ventures with General Motors and Volkswagen that have consistently produced steady growth with an attractive yield. Its nationwide distribution network is well-entrenched, supported by a focus on financing, rentals and after-sales services. We are also upbeat about prospects for new-energy vehicles.

The other was Midea, a white-goods producer with healthy positions in several retail categories, including air conditioners and washing machines. It is perceived as a mass-market brand with a diverse product portfolio, while its track record of execution reflects management's calibre. The company is also exposed to industrial-automation systems through its investment in Germany's Kuka. We expect the company to benefit from stable growth in China's home-appliance market, along with growing premiumisation. It is also positioned for the longer-term structural demand for factory automation amid worsening labour shortages and rising costs.

Against this, we sold Hong Kong-listed developer Hang Lung Properties in view of its muted outlook. We were concerned that the operating environment for Hong Kong real estate sector's remained hampered by the protracted political unrest.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, exchange rate risk/ controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	330.58	357.24	308.79
Return before operating charges*	29.94	(21.85)	53.53
Operating charges	(5.30)	(4.81)	(5.08)
Return after operating charges*	24.64	(26.66)	48.45
Distributions	(4.05)	(4.54)	(2.55)
Retained distributions on accumulation shares	4.05	4.54	2.55
Closing net asset value per share	355.22	330.58	357.24
 * after direct transaction costs of:	 0.40	 0.26	 0.63
Performance			
Return after charges	7.45%	(7.46%)	15.69%
Other information			
Closing net asset value (£'000)	13,002	13,276	14,990
Closing number of shares	3,660,152	4,015,987	4,195,975
Operating charges	1.47%	1.41%	1.49%
Direct transaction costs	0.11%	0.08%	0.19%
Prices			
Highest share price	391.8	370.9	373.1
Lowest share price	333.1	308.1	304.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	380.13	408.86	351.75
Return before operating charges*	34.37	(25.04)	61.09
Operating charges	(4.12)	(3.69)	(3.98)
Return after operating charges*	30.25	(28.73)	57.11
Distributions	(6.62)	(7.04)	(4.74)
Retained distributions on accumulation shares	6.62	7.04	4.74
Closing net asset value per share	410.38	380.13	408.86
 * after direct transaction costs of:	 0.46	 0.30	 0.72
Performance			
Return after charges	7.96%	(7.03%)	16.24%
Other information			
Closing net asset value (£'000)	4,134	20,805	31,394
Closing number of shares	1,007,457	5,473,077	7,678,325
Operating charges	1.00%	0.94%	1.02%
Direct transaction costs	0.11%	0.08%	0.19%
Prices			
Highest share price	452.3	425.0	426.7
Lowest share price	383.1	353.7	347.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	76.76	84.11	73.23
Return before operating charges*	6.94	(5.15)	12.69
Operating charges	(1.23)	(1.13)	(1.21)
Return after operating charges*	5.71	(6.28)	11.48
Distributions	(0.94)	(1.07)	(0.60)
Closing net asset value per share	81.53	76.76	84.11
 * after direct transaction costs of:	 0.09	 0.06	 0.15
Performance			
Return after charges	7.44%	(7.47%)	15.68%
Other information			
Closing net asset value (£'000)	1,245	1,264	1,437
Closing number of shares	1,527,171	1,647,006	1,708,776
Operating charges	1.47%	1.41%	1.49%
Direct transaction costs	0.11%	0.08%	0.19%
Prices			
Highest share price	90.97	87.31	88.47
Lowest share price	77.35	72.54	72.28

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	148.45	129.12
Return before operating charges*	5.84	22.61
Operating charges	(0.07)	(0.28)
Return after operating charges*	5.77	22.33
Distributions	–	(3.00)
Redemption value as at 7 June 2018	(154.22)	–
Closing net asset value per share	–	148.45
 * after direct transaction costs of:	 0.05	 0.27
Performance		
Return after charges	3.89%	17.29%
Other information		
Closing net asset value (£'000)	–	3
Closing number of shares	–	2,115
Operating charges	0.11%	0.19%
Direct transaction costs	0.08%	0.19%
Prices		
Highest share price	154.4	157.9
Lowest share price	139.7	127.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life income share class closed on 7 June 2018.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	139.76	149.20	127.39
Return before operating charges*	12.62	(9.16)	22.20
Operating charges	(0.38)	(0.28)	(0.39)
Return after operating charges*	12.24	(9.44)	21.81
Distributions	(3.59)	(3.65)	(2.78)
Retained distributions on accumulation shares	3.59	3.65	2.78
Closing net asset value per share	152.00	139.76	149.20
 * after direct transaction costs of:	 0.17	 0.11	 0.26
Performance			
Return after charges	8.76%	(6.33%)	17.12%
Other information			
Closing net asset value (£'000)	763	690	774
Closing number of shares	502,270	493,912	518,800
Operating charges	0.25%	0.19%	0.27%
Direct transaction costs	0.11%	0.08%	0.19%
Prices			
Highest share price	167.4	155.4	155.6
Lowest share price	140.9	129.7	125.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	99.82	107.41	92.46
Return before operating charges*	9.01	(6.57)	16.05
Operating charges	(1.14)	(1.02)	(1.10)
Return after operating charges*	7.87	(7.59)	14.95
Distributions	(1.68)	(1.80)	(1.19)
Retained distributions on accumulation shares	1.68	1.80	1.19
Closing net asset value per share	107.69	99.82	107.41
 * after direct transaction costs of:	 0.12	 0.08	 0.19
Performance			
Return after charges	7.88%	(7.07%)	16.17%
Other information			
Closing net asset value (£'000)	9,476	9,233	10,630
Closing number of shares	8,799,111	9,249,170	9,896,216
Operating charges	1.05%	0.99%	1.07%
Direct transaction costs	0.11%	0.08%	0.19%
Prices			
Highest share price	118.7	111.6	112.1
Lowest share price	100.6	92.90	91.26

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Pacific Basin Equities (99.05%)		28,288	98.84
Australia (17.61%)		3,839	13.42
25,306	Aristocrat Leisure	414	1.45
1,280	ASML	273	0.95
45,749	Bapcor	134	0.47
31,825	BHP	451	1.57
2,550	Cochlear	266	0.93
10,400	Commonwealth Bank of Australia	428	1.49
4,939	CSL	771	2.70
43,977	Goodman	331	1.16
18,000	National Australia Bank	228	0.80
5,800	Rio Tinto	255	0.89
24,173	Westpac Banking	288	1.01
China (29.78%)		9,779	34.17
5,400	58.com	233	0.82
10,273	Alibaba ADR	1,674	5.85
56,000	Anhui Conch Cement	322	1.11
2,400	Autohome	146	0.51
714,552	China Construction Bank	452	1.58
60,435	China International Travel Service	530	1.85
119,038	China Merchants Bank	440	1.54
197,000	CNOOC	211	0.74
126,195	Haitian International	194	0.68
37,600	Hangzhou Hikvision Digital Technology	147	0.52
9,403	Huazhu Group	249	0.87
5,400	Kweichow Moutai	639	2.23
9,200	Meituan Dianping	91	0.32
23,700	Midea	141	0.49
519	NetEase	129	0.45
114,058	Ping An Insurance 'H'	992	3.47
167,400	SAIC Motor	416	1.45
56,367	Shanghai International Airport	415	1.45
54,053	Tencent	2,096	7.32
4,752,000	Tianhe Chemicals*	-	-
3,956	Trip.com ADR	94	0.33
109,139	Weichai Power	168	0.59
Hong Kong (12.15%)		3,240	11.32
104,522	AIA	806	2.82
27,700	ASM Pacific Technology	257	0.90

Holding	Investment	Market value £'000	Percentage of total net assets
134,500	Budweiser Brewing	316	1.11
424,000	China High Precision Automation**	-	-
147,000	China Metal Recycling**	-	-
39,673	China Mobile	244	0.85
199,093	China Resources Land	718	2.51
12,774	Hong Kong Exchanges & Clearing	327	1.14
8,800	Jardine Strategic Holdings	198	0.69
231,398	SITC	209	0.73
201,194	Texhong Textile	165	0.57
India (9.15%)		2,731	9.54
48,002	Cyient	221	0.77
11,600	Hindustan Unilever	274	0.96
29,690	Housing Development Finance	704	2.46
136,000	ITC	290	1.01
21,000	Kotak Mahindra Bank	369	1.29
28,636	Larsen & Toubro	370	1.29
15,916	SBI Life Insurance	153	0.54
16,000	Tata Consultancy Services	350	1.22
Indonesia (1.94%)		871	3.04
665,900	Astra	201	0.70
269,523	Bank Central Asia	463	1.62
910,471	Bank Rakyat Indonesia	207	0.72
Macau (0.96%)		264	0.92
72,501	Sands China	264	0.92
Malaysia (0.99%)		139	0.49
43,800	Public Bank	139	0.49
Philippines (1.04%)		309	1.08
516,200	Ayala Land	309	1.08
Singapore (4.40%)		897	3.13
142,136	Capitaland	281	0.98
23,475	DBS	318	1.11
50,103	Oversea-Chinese Banking Corp	298	1.04
South Korea (11.83%)		3,318	11.59
10,175	KB Financial	255	0.89
1,209	LG Chemical	287	1.00
24,288	Nexen Tire	101	0.36

Holding	Investment	Market value £'000	Percentage of total net assets
24,100	Samsung Electronics	842	2.94
31,016	Samsung Electronics (Preference)	911	3.18
1,091	Samsung SDI	208	0.72
7,990	Shinhan Finance	166	0.58
7,313	SK Hynix	414	1.45
9,452	Woory Industrial	134	0.47
Taiwan (6.76%)		2,524	8.82
45,000	Hon Hai Precision	93	0.33
19,852	President Chain Store	152	0.53
114,000	Taiwan Mobile	310	1.08
241,005	Taiwan Semiconductors Manufacturing	1,969	6.88
Thailand (2.44%)		377	1.32
30,670	Advanced Info Service	152	0.53
232,520	PTT (Alien Market)	225	0.79
Collective Investment Schemes (0.99%)		87	0.30
87	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	87	0.30
Total investment assets		28,375	99.14
Net other assets		245	0.86
Total Net Assets		28,620	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019, unless otherwise stated.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

* Suspended

** Delisted

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	3,991	(5,113)
Revenue	4	1,221	1,599
Expenses	5	(483)	(563)
Interest payable and similar charges		–	(1)
Net revenue before taxation		738	1,035
Taxation	6	(58)	(103)
Net revenue after taxation		680	932
Total return before distributions		4,671	(4,181)
Distributions	7	(680)	(932)
Change in net assets attributable to shareholders from investment activities		3,991	(5,113)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	45,268	59,228
Amounts receivable on the issue of shares	4,631	1,710
Amounts payable on the cancellation of shares	(25,691)	(11,344)
	(21,060)	(9,634)
Dilution adjustment	40	35
Change in net assets attributable to shareholders from investment activities (see above)	3,991	(5,113)
Retained distribution on accumulation shares	381	752
Closing net assets attributable to shareholders	28,620	45,268

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		28,375	45,285
Current assets:			
Debtors	8	187	95
Cash and bank balances		229	77
		416	172
Total assets		28,791	45,457
Liabilities:			
Creditors	9	(157)	(171)
Distribution payable		(14)	(18)
		(171)	(189)
Total liabilities		(171)	(189)
Net assets attributable to shareholders		28,620	45,268

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	3,992	(5,090)
Forward currency contracts	4	-
Other gains/(losses)	22	(10)
Transaction charges	(27)	(13)
Net capital gains/(losses)	3,991	(5,113)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	7,065	13,572	27,653	20,747
Collective investment schemes	14,905	6,842	15,264	6,396
Corporate actions	-	1	16	47
Trades in the year before transaction costs	21,970	20,415	42,933	27,190
Commissions				
Equities	7	6	(10)	(7)
Total commissions	7	6	(10)	(7)
Taxes				
Equities	3	7	(29)	(22)
Total taxes	3	7	(29)	(22)
Total transaction costs	10	13	(39)	(29)
Total net trades in the year after transaction costs	21,980	20,428	42,894	27,161

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.10	0.04	0.04	0.03
Taxes				
Equities	0.04	0.05	0.11	0.11

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.02
Taxes	0.07	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.22% (2019: 0.27%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	53	58
Overseas dividends	1,163	1,533
Taxable distributions on offshore funds	5	3
Bank interest	–	5
Total revenue	1,221	1,599

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	409	481
Dealing charge	5	5
Registration fees	22	31
	436	517
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	7	8
Safe custody fee	10	23
	17	31
Other:		
Professional fees	21	6
Audit fee	9	9
	30	15
Total expenses	483	563

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	58	103
Total current tax	58	103
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	738	1,035
Corporation tax at 20% (2019: 20%)	148	207
Effects of:		
Revenue not subject to taxation	(241)	(315)
Overseas taxes	58	103
Excess allowable expenses	93	108
Total tax charge for year (note 6a)	58	103

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £728,000 (2019: £635,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	395	769
Add: Income deducted on cancellation of shares	333	180
Deduct: Income received on issue of shares	(48)	(17)
Net distribution for the year	680	932

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	6	3
Sales awaiting settlement	107	6
Accrued revenue	74	86
Total debtors	187	95

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	114	74
Purchases awaiting settlement	–	50
Accrued expenses payable to ACD	26	35
Accrued expenses payable to the Depositary or associates of the Depositary	1	2
Other accrued expenses	16	10
Total creditors	157	171

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	4,015,987	1,072,576	(1,358,915)	(69,496)	3,660,152
Institutional accumulation	5,473,077	39,976	(4,505,596)	–	1,007,457
Retail income	1,647,006	203,582	(323,417)	–	1,527,171
Standard Life accumulation	493,912	28,505	(23,528)	3,381	502,270
Platform 1 accumulation	9,249,170	427,834	(1,102,523)	224,630	8,799,111

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	28,288	–	–	44,839	–	–
Collective Investment Schemes	–	87	–	–	446	–
Total investment assets	28,288	87	–	44,839	446	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £1,419,000 (2019: £2,264,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £1,412,000 (2019: £2,196,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	3,129	6,963
China Renminbi	2,340	3,025
Euro	273	–
Hong Kong Dollar	8,279	13,181
Indian Rupee	2,786	4,143
Indonesian Rupiah	878	878
Malaysian Ringgit	139	447
Philippines Peso	309	469
Singapore Dollar	917	1,990
South Korean Won	3,421	5,433
Taiwan Dollar	2,551	3,075
Thai Baht	380	1,108
US Dollar	2,836	3,216

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	88	286	374
Australian Dollar	–	3,129	3,129
China Renminbi	59	2,289	2,348
Euro	–	273	273
Hong Kong Dollar	7	8,272	8,279
Indian Rupee	–	2,786	2,786
Indonesian Rupiah	–	878	878
Malaysian Ringgit	–	139	139
Philippines Peso	–	309	309
Singapore Dollar	20	897	917
South Korean Won	–	3,421	3,421
Taiwan Dollar	27	2,524	2,551
Thai Baht	–	380	380
US Dollar	114	2,722	2,836
2019			
Currency			
UK Sterling	448	892	1,340
Australian Dollar	11	6,952	6,963
China Renminbi	–	3,025	3,025
Hong Kong Dollar	–	13,181	13,181
Indian Rupee	50	4,093	4,143
Indonesian Rupiah	–	878	878
Malaysian Ringgit	–	447	447
Philippines Peso	–	469	469
Singapore Dollar	–	1,990	1,990
South Korean Won	–	5,433	5,433
Taiwan Dollar	13	3,062	3,075
Thai Baht	–	1,108	1,108
US Dollar	–	3,216	3,216

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 410.38p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 421.02p. This represents an increase of 2.59% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	4.0464	-	4.0464*	4.5400*
Group 2	0.8058	3.2406	4.0464*	4.5400*
Institutional accumulation				
Group 1	6.6154	-	6.6154*	7.0380*
Group 2	1.8987	4.7167	6.6154*	7.0380*
Retail income				
Group 1	0.9397	-	0.9397**	1.0686**
Group 2	0.0484	0.8913	0.9397**	1.0686**
Standard Life accumulation				
Group 1	3.5903	-	3.5903*	3.6471*
Group 2	1.5488	2.0415	3.5903*	3.6471*
Platform 1 accumulation				
Group 1	1.6822	-	1.6822*	1.7974*
Group 2	0.4664	1.2158	1.6822*	1.7974*

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI (SLI) Corporate Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling-denominated investment grade corporate bonds.

Performance Target: To exceed the IA Sterling Corporate bond Sector Average return (after charges) over 1 year and be top quartile over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 60% in Sterling denominated investment grade corporate bonds.
- The Fund may also invest in bonds issued anywhere in the world by governments and corporations, including sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage backed bonds. The Fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's prospects and creditworthiness compared to that of the market.
- In seeking to achieve the Performance Target, the iBoxx Sterling Collateralized & Corporates Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 3%. Due to the active nature of the management process, the Fund's profile may deviate significantly from the iBoxx Sterling Collateralized & Corporates Index over the long term.

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques:

- The Fund will make routine use of derivatives to reduce risk, reduce cost and/ or generate extra income or growth at consistent risk (often referred to as "Efficient Portfolio Management").

- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance

Over the period under review, the Fund returned 11.7%. This compared to a return of -0.3% for our performance target (the IA Sterling Corporate Bond Sector Average).

The Fund outperformed its target over the review period. In terms of individual securities, the Fund benefited from its exposure to a number of UK banks including HSBC, Virgin Money, Barclays and Lloyds. These issuers all got a boost firstly from the elimination of the risk of a 'no-deal' Brexit scenario and later from the election of a perceived more market-friendly Conservative government in December. On the negative side, return detractors included the UK supermarket company Sainsbury's, which continues to face a challenging competitive environment and the UK funeral services company Dignity.

Investment activity

Towards the end of the review period, the Fund bought the new senior non-preferred bonds of Deutsche Bank, whose turnaround story was continuing to take shape, along with relative attractive valuations compared to many of its peers. In more defensive-minded moves, we also bought the short-dated new issue bonds of First Abu Dhabi bank and added exposure to US 10-yr treasury exposure via the futures market. On the sell side, following their strong performance in the secondary market following their issuance in October, we completely sold our holdings in the German autoparts maker ZF Friedrichshafen. We also trimmed exposure to Pensions Insurance Corporation in light of its very strong performance as well as taking profits in Lloyd's Tier-1 debt and the longer dated bonds of British American Tobacco.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 4 because of the extent to which the following risk factors apply:

- The Fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid.

For example, a coco bond can lose some or all of its value instantaneously if a trigger, such as the issuer experiencing capital shortfalls, occurs.

- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	343.27	339.39	333.39
Return before operating charges*	40.84	7.38	9.51
Operating charges	(3.77)	(3.50)	(3.51)
Return after operating charges*	37.07	3.88	6.00
Distributions	(12.45)	(12.09)	(11.30)
Retained distributions on accumulation shares	12.45	12.09	11.30
Closing net asset value per share	380.34	343.27	339.39
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.80%	1.14%	1.80%
Other information			
Closing net asset value (£'000)	60,205	58,696	54,664
Closing number of shares	15,829,495	17,098,799	16,106,661
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	385.2	345.7	348.0
Lowest share price	345.0	334.4	333.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	57.61	56.72	55.48
Return before operating charges*	6.87	1.24	1.59
Operating charges	(0.38)	(0.35)	(0.35)
Return after operating charges*	6.49	0.89	1.24
Distributions	(2.09)	(2.02)	(1.88)
Retained distributions on accumulation shares	2.09	2.02	1.88
Closing net asset value per share	64.10	57.61	56.72
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.27%	1.57%	2.23%
Other information			
Closing net asset value (£'000)	115,346	105,206	112,647
Closing number of shares	179,950,237	182,615,780	198,603,341
Operating charges	0.61%	0.61%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	64.91	58.02	58.12
Lowest share price	57.91	56.06	55.49

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	100.93	103.40	104.99
Return before operating charges*	11.88	2.21	3.01
Operating charges	(1.09)	(1.05)	(1.09)
Return after operating charges*	10.79	1.16	1.92
Distributions	(3.61)	(3.63)	(3.51)
Closing net asset value per share	108.11	100.93	103.40
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.69%	1.12%	1.83%
Other information			
Closing net asset value (£'000)	26,759	27,470	39,096
Closing number of shares	24,750,945	27,218,270	37,810,618
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	110.4	104.3	108.1
Lowest share price	101.4	99.21	103.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	51.43	52.47	53.05
Return before operating charges*	6.06	1.13	1.53
Operating charges	(0.32)	(0.32)	(0.33)
Return after operating charges*	5.74	0.81	1.20
Distributions	(1.85)	(1.85)	(1.78)
Closing net asset value per share	55.32	51.43	52.47
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.16%	1.54%	2.26%
Other information			
Closing net asset value (£'000)	519	5,156	5,800
Closing number of shares	938,793	10,026,675	11,055,336
Operating charges	0.61%	0.61%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	56.47	52.97	54.72
Lowest share price	51.69	50.50	52.47

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	52.32	53.18	53.45
Return before operating charges*	6.19	1.04	1.56
Operating charges	(0.02)	(0.02)	(0.02)
Return after operating charges*	6.17	1.02	1.54
Distributions	(1.88)	(1.88)	(1.81)
Closing net asset value per share	56.61	52.32	53.18
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.79%	1.92%	2.88%
Other information			
Closing net asset value (£'000)	16,194	16,396	4,017
Closing number of shares	28,605,016	31,336,541	7,552,845
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	57.78	53.74	55.31
Lowest share price	52.47	51.41	53.19

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	58.61	57.42	55.90
Return before operating charges*	7.01	1.25	1.58
Operating charges	(0.07)	(0.06)	(0.06)
Return after operating charges*	6.94	1.19	1.52
Distributions	(2.14)	(2.05)	(1.91)
Retained distributions on accumulation shares	2.14	2.05	1.91
Closing net asset value per share	65.55	58.61	57.42
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.84%	2.07%	2.72%
Other information			
Closing net asset value (£'000)	23	39	9
Closing number of shares	34,525	66,915	16,138
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	66.38	59.03	58.79
Lowest share price	58.91	56.97	55.88

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	149.80	147.56	144.42
Return before operating charges*	17.84	3.22	4.11
Operating charges	(1.06)	(0.98)	(0.97)
Return after operating charges*	16.78	2.24	3.14
Distributions	(5.44)	(5.26)	(4.90)
Retained distributions on accumulation shares	5.44	5.26	4.90
Closing net asset value per share	166.58	149.80	147.56
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.20%	1.52%	2.17%
Other information			
Closing net asset value (£'000)	14,325	13,153	13,434
Closing number of shares	8,599,343	8,780,254	9,104,179
Operating charges	0.66%	0.66%	0.66%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	168.7	150.9	151.2
Lowest share price	150.6	145.8	144.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	112.83	115.17	116.51
Return before operating charges*	13.31	2.46	3.35
Operating charges	(0.78)	(0.75)	(0.78)
Return after operating charges*	12.53	1.71	2.57
Distributions	(4.05)	(4.05)	(3.91)
Closing net asset value per share	121.31	112.83	115.17
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.11%	1.48%	2.21%
Other information			
Closing net asset value (£'000)	11,014	11,389	13,659
Closing number of shares	9,079,018	10,094,824	11,860,227
Operating charges	0.66%	0.66%	0.66%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	123.8	116.3	120.1
Lowest share price	113.4	110.8	115.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (96.50%)		239,282	97.92
Euro Denominated Bonds (0.54%)		2,180	0.89
Corporate Bonds (0.54%)		2,180	0.89
less than 5 years to maturity			
1,000,000	Teva Pharmaceutical 0.375% 2020	520	0.21
between 5 and 10 years to maturity			
618,000	Dow Chemical 0.5% 2027	525	0.22
between 15 and 25 years to maturity			
328,000	Dow Chemical 1.875% 2040	277	0.11
Perpetual			
1,000,000	Danske Bank 7.5% fixed to floating Perpetual	858	0.35
Sterling Denominated Bonds (93.00%)		233,699	95.63
Corporate Bonds (91.12%)		233,097	95.38
less than 5 years to maturity			
1,097,000	AA Bond 2.875% 2022	1,102	0.45
1,500,000	Banco Santander 1.375% 2024	1,496	0.61
1,000,000	Bank of America 5.5% 2021	1,072	0.44
2,120,000	Barclays 3.125% 2024	2,226	0.91
1,500,000	Barclays 10% 2021	1,651	0.68
1,250,000	BP 2.03% 2025	1,306	0.53
750,000	British American Tobacco 1.75% 2021	756	0.31
586,000	Citigroup 2.75% 2024	615	0.25
1,300,000	Deutsche Bank 2.625% 2024	1,321	0.54
2,400,000	Enel 5.625% 2024	2,846	1.16
620,000	Experian 2.125% 2024	648	0.27
834,000	First Abu Dhabi Bank 1.375% 2023	836	0.34
920,000	FirstGroup 8.75% 2021	988	0.40
1,190,000	Go-Ahead 2.5% 2024	1,212	0.50
2,000,000	Heathrow Funding 7.125% 2024	2,411	0.99
2,000,000	Highbury Finance 7.017% 2023	1,500	0.61
1,000,000	Imperial Brands 8.125% 2024	1,244	0.51
2,000,000	Intu (SGS) Finance 3.875% 2023	1,800	0.74
2,000,000	Intu (SGS) Finance 4.125% 2023	1,792	0.73
1,250,000	Lend Lease Europe 6.125% 2021	1,336	0.55
1,217,000	Lloyds Bank 9.625% 2023	1,504	0.62
1,047,000	Lloyds Bank Corporate Markets 1.75% 2024	1,057	0.43
780,000	Lloyds Banking Group 2.25% 2024	800	0.33
351,000	MPT Operating Partnership 2.55% 2023	359	0.15
1,700,000	Pacific National Finance 5% 2023	1,900	0.78
1,000,000	Pension Insurance 6.5% 2024	1,164	0.48

Holding	Investment	Market value £'000	Percentage of total net assets
1,500,000	Telefonica Emisiones 5.289% 2022	1,667	0.68
1,000,000	Tesco 6.125% 2022	1,092	0.45
590,000	Volkswagen Financial Services 1.5% 2021	591	0.24
1,000,000	Volkswagen Financial Services 1.75% 2020	1,000	0.41
1,790,000	Volkswagen Financial Services 1.75% 2022	1,809	0.74
400,000	Volkswagen Financial Services 1.875% 2021	403	0.16
900,000	Volkswagen Financial Services 1.875% 2024	903	0.37
600,000	Volkswagen Financial Services 2.125% 2024	608	0.25
500,000	Volkswagen Financial Services 2.75% 2023	517	0.21
1,750,000	Wells Fargo 2.125% 2022	1,786	0.73
1,500,000	Wells Fargo 5.25% 2023	1,688	0.69
between 5 and 10 years to maturity			
800,000	Abertis Infraestructuras 3.375% 2026	852	0.35
1,300,000	ABP 6.25% 2026	1,622	0.66
2,000,000	Anheuser-Busch InBev 2.25% 2029	2,079	0.85
560,000	Annington Funding 3.184% 2029	607	0.25
956,000	Aroundtown 3.25% 2027	1,037	0.42
338,000	Assura Financing 3% 2028	374	0.15
1,030,000	Bank of America 2.3% 2025	1,072	0.44
900,000	Banque Federative du Credit Mutuel 1.25% 2025	890	0.36
1,600,000	Barclays 3% 2026	1,680	0.69
1,000,000	Barclays 3.25% 2027	1,066	0.44
529,000	BP Capital Markets 1.827% 2025	546	0.22
750,000	British American Tobacco 2.125% 2025	759	0.31
750,000	British American Tobacco 4% 2026	836	0.34
1,110,000	Cadent Finance 2.125% 2028	1,148	0.47
874,000	Citigroup 1.75% 2026	879	0.36
728,000	CK Hutchison 2% 2027	728	0.30
750,000	Comcast 5.5% 2029	1,020	0.42
1,700,000	CPUK 3.588% 2025	1,844	0.75
886,000	CPUK 3.69% 2028	977	0.40
670,000	CYBG 4% 2026	713	0.29
2,000,000	CYBG 5% fixed to floating 2026	2,039	0.83
651,000	Danske Bank 2.25% fixed to floating 2028	658	0.27
2,260,000	Delamare 5.5457% 2029	2,162	0.88
830,000	Digital Stout 3.3% 2029	912	0.38
569,000	Fidelity National Information Services 2.25% 2029	587	0.24
411,000	Fidelity National Information Services 2.602% 2025	435	0.18
750,000	Fiserv 2.25% 2025	779	0.32
1,750,000	Hammerson 3.5% 2025	1,836	0.75
236,000	Hammerson 7.25% 2028	308	0.13

Holding	Investment	Market value £'000	Percentage of total net assets
2,400,000	HSBC 2.625% 2028	2,535	1.04
1,500,000	HSBC 6.75% 2028	2,002	0.82
2,000,000	Imperial Brands 5.5% 2026	2,398	0.98
1,500,000	Lloyds Bank 7.625% 2025	1,915	0.78
1,500,000	London & Quadrant Housing Trust 2.25% 2029	1,568	0.64
500,000	London & Quadrant Housing Trust 2.625% 2026	532	0.22
960,000	Morgan Stanley 2.625% 2027	1,018	0.42
2,000,000	Morrison (Wm) 3.5% 2026	2,219	0.91
691,000	MPT Operating Partnership 3.692% 2028	733	0.30
1,043,000	Nationwide Building Society 3.25% 2028	1,188	0.49
1,000,000	NewRiver REIT 3.5% 2028	1,024	0.42
500,000	Pension Insurance 8% 2026	638	0.26
1,000,000	Quadgas Finance 3.375% 2029	1,077	0.44
1,500,000	Rabobank 4.625% 2029	1,809	0.74
1,500,000	Rabobank 5.25% 2027	1,825	0.75
1,750,000	Royal Bank of Scotland 2.875% 2026	1,827	0.75
1,220,000	Royal Bank of Scotland 3.125% fixed to floating 2027	1,293	0.53
1,350,000	Santander UK 3.875% 2029	1,621	0.66
1,710,000	Santander UK Group 3.625% 2026	1,869	0.76
890,000	Shaftesbury Chinatown 2.348% 2027	913	0.38
920,000	Stagecoach Group 4% 2025	990	0.41
1,150,000	Thames Water 3.5% 2028	1,293	0.53
1,600,000	Total Capital 1.66% 2026	1,646	0.67
733,000	Unite Group 3.5% 2028	815	0.33
400,000	Vinci 2.25% 2027	428	0.18
700,000	Wells Fargo 2% 2025	717	0.29
1,250,000	Welltower 4.8% 2028	1,516	0.62
720,000	Westfield Stratford City Finance 1.642% 2026	743	0.30
1,500,000	Yorkshire Building Society 3.375% 2028	1,569	0.64
1,435,000	Yorkshire Power 7.25% 2028	2,086	0.85
1,060,000	Yorkshire Water 1.75% 2026	1,076	0.44
between 10 and 15 years to maturity			
2,300,000	America Movil 4.948% 2033	3,102	1.27
1,500,000	Annington Funding 3.685% 2034	1,720	0.70
1,700,000	Arqiva 4.882% 2032	1,697	0.69
2,000,000	AT&T 5.2% 2033	2,586	1.06
500,000	Barclays 3.25% 2033	528	0.22
750,000	Canary Wharf Finance 6.8% 2030	555	0.23
500,000	Centrica 7% 2033	763	0.31
989,000	Digital Stout 3.75% 2030	1,130	0.46
248,000	Eastern Power Networks 2.125% 2033	256	0.10

Holding	Investment	Market value £'000	Percentage of total net assets
500,000	EDF 5.875% fixed to floating 2031	701	0.29
1,500,000	Eversholt 6.697% 2035	1,997	0.82
484,000	Fidelity National Information Services 3.36% 2031	547	0.22
282,000	Fiserv 3% 2031	307	0.13
510,000	Great Rolling Stock 6.5% 2031	558	0.23
1,156,000	HSBC 3% fixed to floating 2030	1,237	0.51
1,700,000	HSBC Bank 5.375% fixed to floating 2030	2,003	0.82
1,200,000	Longstone Finance 4.791% 2030	763	0.31
2,700,000	Longstone Finance 4.896% 2031	3,255	1.33
797,000	Morrison (Wm) 2.5% 2031	813	0.33
500,000	Orange 3.25% 2032	565	0.23
500,000	Orsted 4.875% 2032	666	0.27
2,600,000	Premiertel 6.175% 2032	2,781	1.14
1,210,000	Severn Trent 2.75% 2031	1,360	0.56
528,507	Shaftesbury Carnaby 2.487% 2031	548	0.22
624,000	SP Transimission 2% 2031	643	0.26
2,705,000	Telereal 6.1645% 2031	3,130	1.28
1,500,000	Thames Water 5.75% fixed to floating 2030	1,633	0.67
1,000,000	Total Capital International 1.405% 2031	993	0.41
600,000	Verizon Communications 2.5% 2031	636	0.26
400,000	Vinci 2.75% 2034	461	0.19
1,450,000	Western Power 5.75% 2032	2,038	0.83
between 15 and 25 years to maturity			
1,500,000	AT&T 4.875% 2044	1,915	0.78
1,100,000	Aviva 6.125% fixed to floating 2036	1,329	0.54
516,000	Berkshire Hathaway Finance 2.375% 2039	562	0.23
2,000,000	Broadgate Financing 5.098% 2035	2,266	0.93
1,000,000	Citigroup 6.8% 2038	1,701	0.70
499,000	Comcast 1.875% 2036	497	0.20
2,500,000	E.ON Finance 6.75% 2039	4,134	1.69
1,500,000	Eversholt 3.529% 2042	1,668	0.68
2,000,000	Gatwick 5.75% 2037	2,887	1.18
1,500,000	Great Rolling Stock 6.875% 2035	1,390	0.57
512,000	Home Group 3.125% 2043	583	0.24
2,000,000	innogy Finance 6.125% 2039	3,158	1.29
750,000	Morhomes 3.4% 2038	846	0.35
1,500,000	Munich Re 6.625% fixed to floating 2042	1,673	0.68
1,000,000	Orsted 5.75% 2040	1,591	0.65
1,750,000	RL Finance 6.125% fixed to floating 2043	1,975	0.81
1,110,000	Segro 2.875% 2037	1,244	0.51

Holding	Investment	Market value £'000	Percentage of total net assets
511,000	TC Dudgeon Ofto 3.158% 2038	570	0.23
1,200,000	Tesco 5.744% 2040	1,534	0.63
500,000	Tesco 5.8006% 2040	654	0.27
1,250,000	Tesco 6.0517% 2039	1,389	0.57
1,000,000	Thames Water 5.5% 2041	1,503	0.61
1,000,000	Verizon Communications 3.375% 2036	1,161	0.47
greater than 25 years to maturity			
903,000	AA Bond 5.5% 2050	927	0.38
311,000	Accent Capital 2.625% 2049	355	0.15
750,000	American International FRN 2067	650	0.27
1,620,000	Aviva 5.125% fixed to floating 2050	1,850	0.76
406,000	Berkshire Hathaway Finance 2.625% 2059	473	0.19
705,000	Blend Funding 3.459% 2047	890	0.36
1,250,000	British American Tobacco 2.25% 2052	964	0.39
556,000	Bromford Housing 3.125% 2048	698	0.29
470,000	Channel Link 3.043% 2050	503	0.21
1,500,000	Dignity 4.6956% 2049	1,298	0.53
1,600,000	EDF 6% 2114	2,660	1.09
1,000,000	GlaxoSmithKline 4.25% 2045	1,425	0.58
750,000	Income Contingent Student Loans 2 2007-2009 2.5% 2058	703	0.29
2,000,000	NGG 5.625% fixed to floating 2073	2,272	0.93
423,000	Peabody Capital 3.25% 2048	515	0.21
1,100,000	Prudential 5% fixed to floating 2055	1,219	0.50
583,000	Prudential 5.625% fixed to floating 2051	665	0.27
500,000	RL Finance 4.875% fixed to floating 2049	502	0.21
1,500,000	University of Oxford 2.544% 2117	1,909	0.78
1,200,000	Vodafone 3% 2056	1,197	0.49
520,000	Wellcome Trust 2.517% 2118	677	0.28
330,000	Wrekin Housing 2.5% 2048	361	0.15
Perpetual			
2,000,000	Aviva 6.125% fixed to floating Perpetual	2,171	0.89
1,000,000	AXA 6.6862% fixed to floating Perpetual	1,202	0.49
700,000	Bank of Scotland 7.281% Perpetual	863	0.35
500,000	EDF 5.875% fixed to floating Perpetual	562	0.23
1,500,000	EDF 6% fixed to floating Perpetual	1,658	0.68
1,300,000	HSBC 5.844% fixed to floating Perpetual	1,800	0.74
785,000	HSBC 5.875% Fixed to Floating Perpetual	846	0.35
1,250,000	Lloyds Banking Group 7.625% fixed to floating Perpetual	1,359	0.56
1,000,000	Orange 5.75% fixed to floating Perpetual	1,103	0.45
990,000	Pennon 2.875% Perpetual	989	0.40
1,287,000	SSE 3.875% fixed to floating Perpetual	1,295	0.53

Holding	Investment	Market value £'000	Percentage of total net assets
Government Bonds (1.88%)		602	0.25
less than 5 years to maturity			
599,000	China Development Bank 1.25% 2023	602	0.25
US Dollar Denominated Bonds (2.96%)		3,403	1.40
Corporate Bonds (2.96%)		3,403	1.40
between 5 and 10 years to maturity			
504,000	Syngenta Finance 4.892% 2025	433	0.18
Perpetual			
885,000	BNP Paribas 4.5% fixed to floating Perpetual	655	0.27
1,200,000	Swedbank 5.5% fixed to floating Perpetual	939	0.38
1,000,000	UBS 5% Perpetual	750	0.31
750,000	UBS Group Funding (Switzerland) 7% fixed to floating Perpetual	626	0.26
Collective Investment Schemes (2.97%)		2,176	0.89
2,176	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	2,176	0.89
Derivatives (0.06%)		215	0.08
Forward Currency Contracts (0.06%)		(128)	(0.06)
	Buy GBP 787,341 Sell EUR 938,389 07/05/2020	(21)	(0.01)
	Buy GBP 1,374,156 Sell EUR 1,623,182 07/05/2020	(25)	(0.01)
	Buy GBP 1,361,229 Sell USD 1,771,000 07/05/2020	(23)	(0.01)
	Buy GBP 2,778,047 Sell USD 3,640,394 07/05/2020	(67)	(0.03)
	Buy USD 888,746 Sell GBP 686,720 07/05/2020	8	-
Futures (0.00%)		343	0.14
175	Long Long Gilt Future 26/06/2020	250	0.10
50	Long US 10 Year Ultra Future 19/06/2020	93	0.04
Total investment assets and liabilities		241,673	98.89
Net other assets		2,712	1.11
Total Net Assets		244,385	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	19,396	(3,447)
Revenue	4	8,490	8,546
Expenses	5	(1,787)	(1,800)
Interest payable and similar charges		-	(1)
Net revenue before taxation		6,703	6,745
Taxation	6	-	-
Net revenue after taxation		6,703	6,745
Total return before distributions		26,099	3,298
Distributions	7	(8,425)	(8,481)
Change in net assets attributable to shareholders from investment activities		17,674	(5,183)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	237,505	243,326
Amounts receivable on the issue of shares	12,143	24,397
Amounts payable on the cancellation of shares	(29,385)	(31,618)
	(17,242)	(7,221)
Dilution adjustment	15	135
Change in net assets attributable to shareholders from investment activities (see above)	17,674	(5,183)
Retained distribution on accumulation shares	6,433	6,448
Closing net assets attributable to shareholders	244,385	237,505

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		241,809	236,404
Current assets:			
Debtors	8	3,512	4,661
Cash and bank balances	9	239	150
		3,751	4,811
Total assets		245,560	241,215
Liabilities:			
Investment liabilities		(136)	(18)
Creditors	10	(504)	(3,148)
Bank overdrafts		(100)	–
Distribution payable		(435)	(544)
		(1,039)	(3,692)
Total liabilities		(1,175)	(3,710)
Net assets attributable to shareholders		244,385	237,505

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	18,781	(3,453)
Derivative contracts	968	397
Forward currency contracts	(364)	(393)
Other gains	17	8
Transaction charges	(6)	(6)
Net capital gains/(losses)	19,396	(3,447)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	61,285	84,008	68,615	89,446
Collective investment schemes	58,912	82,393	63,795	76,457
Trades in the year before transaction costs	120,197	166,401	132,410	165,903
Total net trades in the year after transaction costs	120,197	166,401	132,410	165,903

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.78% (2019: 0.75%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Taxable distributions on offshore funds	42	7
Interest on debt securities	8,445	8,530
Bank interest	3	9
Total revenue	8,490	8,546

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,595	1,610
Dealing charge	13	13
Registration fees	114	113
	1,722	1,736
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	34	34
Safe custody fee	17	18
	51	52
Other:		
Professional fees	1	–
Audit fee	13	12
	14	12
Total expenses	1,787	1,800

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	6,703	6,745
Corporation tax at 20% (2019: 20%)	1,341	1,349
Effects of:		
Distributions treated as tax deductible	(1,341)	(1,349)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	2,256	2,101
Second interim distribution	2,105	2,122
Third interim distribution	2,018	2,126
Final distribution	1,938	2,119
	8,317	8,468
Add: Income deducted on cancellation of shares	157	95
Deduct: Income received on issue of shares	(49)	(82)
Net distribution for the year	8,425	8,481
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	6,703	6,745
Annual ACD charge to capital	1,595	1,610
Registration fees taken from the capital account	114	113
Dealing Charges taken from the capital account	13	13
Total distributions	8,425	8,481

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	47	235
Sales awaiting settlement	–	912
Accrued revenue	3,465	3,514
Total debtors	3,512	4,661

9 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	237	148
Cash and bank balances	2	2
Total cash and bank balances	239	150

10 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	348	211
Purchases awaiting settlement	–	2,786
Accrued expenses payable to ACD	137	128
Accrued expenses payable to the Depositary or associates of the Depositary	6	10
Other accrued expenses	13	13
Total creditors	504	3,148

11 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 10.

12 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	17,098,799	50,541	(1,271,221)	(48,624)	15,829,495
Institutional accumulation	182,615,780	13,074,334	(15,739,877)	–	179,950,237
Retail income	27,218,270	104,041	(2,404,338)	(167,028)	24,750,945
Institutional income	10,026,675	499,212	(9,587,094)	–	938,793
Standard Life income	31,336,541	1,835,051	(4,566,576)	–	28,605,016
Standard Life accumulation	66,915	12,935	(45,325)	–	34,525
Platform 1 accumulation	8,780,254	1,646,850	(1,938,803)	111,042	8,599,343
Platform 1 income	10,094,824	262,968	(1,427,581)	148,807	9,079,018

13 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	–	239,282	–	4,465	224,708	–
Collective Investment Schemes	–	2,176	–	–	7,060	–
Derivatives	343	8	–	–	171	–
Total investment assets	343	241,466	–	4,465	231,939	–
Derivatives	–	(136)	–	–	(18)	–
Total investment liabilities	–	(136)	–	–	(18)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

14 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	2.27%	2.87%	2.61%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	2.49%	3.16%	2.71%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 2.87%, £6,936,000 (2019: 2.49%, £5,923,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Euro	(6)	10
US Dollar	(4)	70

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

Bond yields are affected by market and economic conditions, including inflation rates and government policy. An analysis of the interest rates and maturity of bond listings is detailed below.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	9,128	226,887	8,380	244,395
Euro	2	2,180	(2,188)	(6)
US Dollar	623	2,777	(3,404)	(4)
2019				
Currency				
UK Sterling	46,245	174,772	16,408	237,425
Euro	418	862	(1,270)	10
US Dollar	4,614	2,411	(6,955)	70

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	226,880	201,793
Below Investment Grade Bonds	9,952	22,595
Unrated Bonds	2,450	4,785
Total Value of Bonds	239,282	229,173

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

	2020 £'000	2019 £'000
Market Exposure		
Forward Currency Contracts	7,132	10,320
Futures	29,576	–
Total Market Exposure	36,708	10,320

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

Counterparty or clearer	Collateral (held)/ pledged £'000	2020 Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/ pledged £'000	2019 Margin at clearing broker £'000	Market value of derivatives £'000
Bank of America Merrill Lynch	–	–	–	–	–	125
BNP Paribas	–	–	(44)	–	–	(11)
Citigroup	–	–	(92)	–	–	(7)
Goldman Sachs	–	237	343	–	–	–
JP Morgan	–	–	–	–	–	45
Nomura	–	–	–	–	–	1
Standard Chartered	–	–	8	–	–	–
Total	–	237	215	–	–	153

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

15 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 108.11p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 107.04p. This represents a decrease of 0.99% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	3.2605	-	3.2605*	2.9662
Group 2	1.5333	1.7272	3.2605*	2.9662
Institutional accumulation				
Group 1	0.5475	-	0.5475*	0.4960
Group 2	0.3503	0.1972	0.5475*	0.4960
Retail income				
Group 1	0.9585	-	0.9585**	0.9037
Group 2	0.4903	0.4682	0.9585**	0.9037
Institutional income				
Group 1	0.4896	-	0.4896**	0.4587
Group 2	0.4120	0.0776	0.4896**	0.4587
Standard Life income				
Group 1	0.4970	-	0.4970**	0.4654
Group 2	0.2627	0.2343	0.4970**	0.4654
Standard Life accumulation				
Group 1	0.5558	-	0.5558*	0.5024
Group 2	0.3692	0.1866	0.5558*	0.5024
Platform 1 accumulation				
Group 1	1.4235	-	1.4235*	1.2902
Group 2	0.5952	0.8283	1.4235*	1.2902
Platform 1 income				
Group 1	1.0721	-	1.0721**	1.0070
Group 2	0.3551	0.7170	1.0721**	1.0070

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	3.1312	-	3.1312*	3.0366
Group 2	1.3815	1.7497	3.1312*	3.0366
Institutional accumulation				
Group 1	0.5263	-	0.5263*	0.5071
Group 2	0.1894	0.3369	0.5263*	0.5071
Retail income				
Group 1	0.9121	-	0.9121**	0.9090
Group 2	0.4342	0.4779	0.9121**	0.9090
Institutional income				
Group 1	0.4654	-	0.4654**	0.4651
Group 2	0.2511	0.2143	0.4654**	0.4651
Standard Life income				
Group 1	0.4746	-	0.4746**	0.4723
Group 2	0.2961	0.1785	0.4746**	0.4723
Standard Life accumulation				
Group 1	0.5363	-	0.5363*	0.5133
Group 2	0.3518	0.1845	0.5363*	0.5133
Platform 1 accumulation				
Group 1	1.3684	-	1.3684*	1.3186
Group 2	0.6534	0.7150	1.3684*	1.3186
Platform 1 income				
Group 1	1.0210	-	1.0210**	1.0203
Group 2	0.4284	0.5926	1.0210**	1.0203

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	3.0469	-	3.0469*	3.0309
Group 2	1.9038	1.1431	3.0469*	3.0309
Institutional accumulation				
Group 1	0.5127	-	0.5127*	0.5079
Group 2	0.3311	0.1816	0.5127*	0.5079
Retail income				
Group 1	0.8801	-	0.8801**	0.9075
Group 2	0.3414	0.5387	0.8801**	0.9075
Institutional income				
Group 1	0.4497	-	0.4497**	0.4617
Group 2	0.1686	0.2811	0.4497**	0.4617
Standard Life income				
Group 1	0.4590	-	0.4590**	0.4698
Group 2	0.2921	0.1669	0.4590**	0.4698
Standard Life accumulation				
Group 1	0.5238	-	0.5238*	0.5145
Group 2	0.3354	0.1884	0.5238*	0.5145
Platform 1 accumulation				
Group 1	1.3329	-	1.3329*	1.3203
Group 2	0.6161	0.7168	1.3329*	1.3203
Platform 1 income				
Group 1	0.9861	-	0.9861**	1.0131
Group 2	0.3297	0.6564	0.9861**	1.0131

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	3.0110	-	3.0110*	3.0567
Group 2	1.5855	1.4255	3.0110*	3.0567
Institutional accumulation				
Group 1	0.5073	-	0.5073*	0.5123
Group 2	0.3349	0.1724	0.5073*	0.5123
Retail income				
Group 1	0.8626	-	0.8626**	0.9071
Group 2	0.3555	0.5071	0.8626**	0.9071
Institutional income				
Group 1	0.4412	-	0.4412**	0.4616
Group 2	0.2062	0.2350	0.4412**	0.4616
Standard Life income				
Group 1	0.4512	-	0.4512**	0.4728
Group 2	0.2964	0.1548	0.4512**	0.4728
Standard Life accumulation				
Group 1	0.5210	-	0.5210*	0.5207
Group 2	0.2893	0.2317	0.5210*	0.5207
Platform 1 accumulation				
Group 1	1.3181	-	1.3181*	1.3340
Group 2	0.5115	0.8066	1.3181*	1.3340
Platform 1 income				
Group 1	0.9674	-	0.9674**	1.0134
Group 2	0.2915	0.6759	0.9674**	1.0134

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI (SLI) Emerging Markets Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in emerging markets equities (company shares).

Performance Target: To achieve the return of the MSCI emerging markets Index, plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: Investment Association Global emerging markets Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in emerging market countries, or companies that derive a significant proportion of their revenues or profits from emerging market operations or have a significant proportion of their assets there.
- Emerging markets include Asian, Eastern European, Middle Eastern, African or Latin American countries.
- The Fund may also invest in other Funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the MSCI emerging market Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the MSCI emerging market Index over the longer term.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").

- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance review

Over the period under review, the Fund returned 4.9%. This compared to a return of 5.3% for our performance target (the MSCI Emerging Markets Index +3%).

Our exposure to the technology sector boosted returns. Taiwan Semiconductor Manufacturing and Samsung Electronics rose over the latter stages of 2019 on the back of an expected recovery in memory chip and smartphone demand. Several of our mainland China holdings also fared well. China Resources Land benefited from a recovery in sentiment, as Beijing loosened residency restrictions in smaller Chinese cities. Anta Sports was boosted by a sharp rise in functional sportswear spending in China. The company's strategy of developing its core Anta brand into the premium mass segment is proving successful. Its multi-brand development with new names such as Fila also made a positive contribution. Additional highlights included Cyrela Brazil Real, Norlisk Nickel and Weichai Power.

By contrast, Xiabu Xiabu Catering suffered with lower discretionary spending activity in China. A branding issue compounded the problem. Tobacco conglomerate ITC retreated on worries about a tax increase on cigarettes. Meanwhile, shares in Indian telecoms equipment maker Tejas Networks fell following second-quarter results. Our Hong Kong holdings, including conglomerate Jardine Strategic, suffered due to the prolonged protests in the city. Another key laggard was Korean holding LG Chem, which fell on expectations of weaker third-quarter results and a longer-than-expected recovery in its battery business. We are looking past short-term concerns and remain upbeat about the long-term attractiveness of the business, particularly the company's leadership in the electric vehicle-battery segment. Holdings in Gazprom Creditcorp and T4F Entretenimento also disappointed.

Activity

We purchased shares in India's Tata Consultancy Services. The company offers a differentiated digital services platform model, covering IT services and consultancy. For the latter, it has started to compete less on price and more on capabilities. This should drive future earnings. We also bought Taiwan Union Corporation, which is a leading manufacturer of printed circuit boards and copper-clad laminates. The company is set to benefit from rising demand for its products from data centres and the rollout of 5G.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 6 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	82.56	91.56	74.78
Return before operating charges*	6.31	(7.84)	17.96
Operating charges	(1.22)	(1.16)	(1.18)
Return after operating charges*	5.09	(9.00)	16.78
Distributions	(1.47)	(1.14)	(0.67)
Retained distributions on accumulation shares	1.47	1.14	0.67
Closing net asset value per share	87.65	82.56	91.56
 * after direct transaction costs of:	 0.07	 0.07	 0.15
Performance			
Return after charges	6.17%	(9.83%)	22.44%
Other information			
Closing net asset value (£'000)	55,427	51,466	54,194
Closing number of shares	63,236,069	62,336,727	59,186,585
Operating charges	1.37%	1.39%	1.40%
Direct transaction costs	0.08%	0.08%	0.18%
Prices			
Highest share price	98.75	93.25	94.08
Lowest share price	82.66	74.61	74.58

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	86.07	95.05	77.34
Return before operating charges*	6.53	(8.18)	18.52
Operating charges	(0.84)	(0.80)	(0.81)
Return after operating charges*	5.69	(8.98)	17.71
Distributions	(1.95)	(1.56)	(1.07)
Retained distributions on accumulation shares	1.95	1.56	1.07
Closing net asset value per share	91.76	86.07	95.05
 * after direct transaction costs of:	 0.07	 0.07	 0.16
Performance			
Return after charges	6.61%	(9.45%)	22.90%
Other information			
Closing net asset value (£'000)	44,861	74,265	103,793
Closing number of shares	48,892,113	86,284,972	109,202,645
Operating charges	0.90%	0.92%	0.93%
Direct transaction costs	0.08%	0.08%	0.18%
Prices			
Highest share price	103.4	96.83	97.63
Lowest share price	86.18	77.66	77.13

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	76.88	84.29	68.06
Return before operating charges*	5.81	(7.28)	16.37
Operating charges	(0.12)	(0.13)	(0.14)
Return after operating charges*	5.69	(7.41)	16.23
Distributions	(2.36)	(1.95)	(1.52)
Retained distributions on accumulation shares	2.36	1.95	1.52
Closing net asset value per share	82.57	76.88	84.29
 * after direct transaction costs of:	 0.07	 0.06	 0.14
Performance			
Return after charges	7.40%	(8.79%)	23.85%
Other information			
Closing net asset value (£'000)	1,073	1,077	1,101
Closing number of shares	1,299,916	1,401,120	1,305,745
Operating charges	0.15%	0.17%	0.18%
Direct transaction costs	0.08%	0.08%	0.18%
Prices			
Highest share price	92.90	85.89	86.54
Lowest share price	76.98	69.18	67.96

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life B accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	91.00	99.65	80.35
Return before operating charges*	6.85	(8.64)	19.32
Operating charges	(0.01)	(0.01)	(0.02)
Return after operating charges*	6.84	(8.65)	19.30
Distributions	(2.91)	(2.42)	(1.90)
Retained distributions on accumulation shares	2.91	2.42	1.90
Closing net asset value per share	97.84	91.00	99.65
 * after direct transaction costs of:	 0.08	 0.07	 0.17
Performance			
Return after charges	7.52%	(8.68%)	24.02%
Other information			
Closing net asset value (£'000)	90,051	87,709	93,910
Closing number of shares	92,036,969	96,380,715	94,239,710
Operating charges	0.00%	0.02%	0.02%
Direct transaction costs	0.08%	0.08%	0.18%
Prices			
Highest share price	110.1	101.6	102.3
Lowest share price	91.13	81.86	80.26

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	85.45	94.40	76.85
Return before operating charges*	6.48	(8.12)	18.40
Operating charges	(0.88)	(0.83)	(0.85)
Return after operating charges*	5.60	(8.95)	17.55
Distributions	(1.90)	(1.51)	(1.02)
Retained distributions on accumulation shares	1.90	1.51	1.02
Closing net asset value per share	91.05	85.45	94.40
 * after direct transaction costs of:	 0.07	 0.07	 0.16
Performance			
Return after charges	6.55%	(9.48%)	22.84%
Other information			
Closing net asset value (£'000)	2,499	2,624	3,177
Closing number of shares	2,744,374	3,071,319	3,365,337
Operating charges	0.95%	0.97%	0.98%
Direct transaction costs	0.08%	0.08%	0.18%
Prices			
Highest share price	102.6	96.17	96.98
Lowest share price	85.55	77.11	76.64

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Europe, Middle East & Africa Equities (12.83%)		24,471	12.62
Georgia (0.99%)		2,387	1.23
141,159	Bank of Georgia	2,387	1.23
Luxembourg (0.93%)		533	0.28
37,410	Tenaris	533	0.28
Nigeria (0.00%)		586	0.30
566,482	Seplat Petroleum Development	586	0.30
Russia (5.96%)		13,502	6.96
394,925	Globaltrans Investment	2,288	1.18
35,025	HeadHunter	576	0.30
21,832,643	Inter RAO	1,324	0.68
28,315	LUKOIL	1,887	0.97
73,173	MMC Norilsk Nickel	1,722	0.89
3,670	Novatek	41	0.02
144,599	Sberbank of Russia (Preference)	362	0.19
259,126	Sberbank of Russia ADR	2,853	1.47
95,533	Severstal	911	0.47
63,054	X5 Retail Group	1,538	0.79
South Africa (4.49%)		6,336	3.27
176,427	Firststrand	484	0.25
26,838	Naspers	3,180	1.64
489,857	Vodacom	2,672	1.38
Turkey (0.46%)		1,127	0.58
11,556	AEFES	32	0.02
636,327	Turkcell Iletisim	1,095	0.56
Latin America Equities (13.67%)		26,734	13.79
Brazil (6.16%)		10,255	5.29
592,711	Banco Bradesco (Preference)	3,140	1.62
112,059	Cyrela Brazil Realty	579	0.30
192,806	IRB Brasil Resseguros	1,111	0.57
717,194	T4F Entretenimento	525	0.27
98,347	Telefonica Brasil (Preference)	911	0.47
406,495	Vale	3,104	1.60
98,753	YDUQS Part	885	0.46

Holding	Investment	Market value £'000	Percentage of total net assets
Chile (1.01%)		1,517	0.78
11,606,140	Enel Americas	1,517	0.78
Mexico (3.53%)		10,833	5.59
377,144	FEMSA	2,386	1.23
390,986	Grupo Aeroportuario del Centro Norte	1,984	1.02
787,999	Grupo Financiero Banorte	3,346	1.73
782,349	Grupo México	1,439	0.74
1,432,639	PLA Administradora Industrial	1,678	0.87
Panama (1.25%)		1,441	0.74
22,146	Copa Holdings	1,441	0.74
Peru (1.72%)		2,688	1.39
18,936	Credicorp	2,688	1.39
Pacific Basin Equities (72.32%)		140,625	72.52
Australia (0.14%)		-	-
China (31.05%)		59,093	30.47
56,449	58.com	2,438	1.26
80,557	Alibaba ADR	13,123	6.77
108,786	ANTA Sports Products	685	0.35
35,850	Autohome	2,181	1.12
10,923,175	China Construction Bank	6,913	3.56
654,816	China Merchants Bank	2,418	1.25
827,169	Dali Foods	427	0.22
3,895,606	Goodbaby International	520	0.27
1,073,191	Haitian International	1,647	0.85
107,697	Huazhu Group	2,846	1.47
843,753	Ping An Insurance 'H'	7,341	3.79
341,549	Tencent	13,245	6.83
6,850,000	Tianhe Chemicals*	-	-
71,394	Trip.com ADR	1,697	0.87
804,752	Weichai Power	1,240	0.64
50,178	Wuliangye Yibin	678	0.35
2,134,559	Xiabu Xiabu	1,694	0.87
Hong Kong (4.06%)		7,536	3.89
500,731	Budweiser Brewing	1,175	0.61
649,777	China Metal Recycling**	-	-
307,260	China Mobile	1,892	0.98
765,854	China Resources Land	2,762	1.42
1,890,455	SITC	1,707	0.88

Holding	Investment	Market value £'000	Percentage of total net assets
India (8.19%)		16,285	8.40
26,324	Axis Bank GDR	973	0.50
14,881	Bajaj	545	0.28
599,648	Biocon	1,880	0.97
125,990	Housing Development Finance	2,986	1.54
1,269,253	ITC	2,708	1.40
69,753	Kotak Mahindra Bank	1,226	0.63
168,072	Larsen & Toubro	2,172	1.12
213,147	Oberoi Realty	1,179	0.61
44,545	Tata Consultancy Services	973	0.50
174,581	Tech Mahindra	1,410	0.73
462,698	Tejas Networks	233	0.12
Indonesia (0.99%)		3,158	1.63
6,781,498	Bank Rakyat Indonesia	1,543	0.80
24,885,322	Pakuwon Jati	720	0.37
4,712,264	Telekomunikasi Indonesia 'B'	895	0.46
Macau (1.36%)		3,876	2.00
1,064,352	Sands China	3,876	2.00
South Korea (14.58%)		26,002	13.40
98,784	KB Financial	2,474	1.28
21,315	LG Chemical Preference KRW 5000	2,563	1.32
104,030	Nexen Tire	431	0.22
222,659	Samsung Electronics	7,779	4.01
217,494	Samsung Electronics (Preference)	6,386	3.29
73,502	Shinhan Finance	1,530	0.79
67,858	SK Hynix	3,845	1.98
70,113	Woory Industrial	994	0.51
Taiwan (8.37%)		19,503	10.06
541,980	Chroma ATE	1,990	1.03
155,119	Globalwafers	1,642	0.85
589,149	Hon Hai Precision	1,222	0.63
176,740	President Chain Store	1,355	0.70
1,436,322	Taiwan Semiconductors Manufacturing	11,736	6.05
453,192	Taiwan Union Technology	1,558	0.80
Thailand (3.58%)		5,172	2.67
522,368	Advanced Info Service	2,592	1.34
2,194,720	PTT (Alien Market)	2,124	1.10
59,246	Siam Cement	456	0.23

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (0.48%)		1,261	0.65
1,261	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	1,261	0.65
Total investment assets		193,091	99.58
Net other assets		820	0.42
Total Net Assets		193,911	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019, unless otherwise stated.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

* Suspended

** Delisted

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	11,770	(29,094)
Revenue	4	7,262	6,987
Expenses	5	(1,408)	(1,559)
Interest payable and similar charges		(1)	(9)
Net revenue before taxation		5,853	5,419
Taxation	6	(513)	(654)
Net revenue after taxation		5,340	4,765
Total return before distributions		17,110	(24,329)
Distributions	7	(5,340)	(4,765)
Change in net assets attributable to shareholders from investment activities		11,770	(29,094)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	217,141	256,175
Amounts receivable on the issue of shares	13,332	14,389
Amounts payable on the cancellation of shares	(53,021)	(28,892)
	(39,689)	(14,503)
Dilution adjustment	39	98
Change in net assets attributable to shareholders from investment activities (see above)	11,770	(29,094)
Retained distribution on accumulation shares	4,650	4,465
Closing net assets attributable to shareholders	193,911	217,141

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		193,091	215,620
Current assets:			
Debtors	8	1,068	842
Cash and bank balances		409	854
		1,477	1,696
Total assets		194,568	217,316
Liabilities:			
Creditors	9	(657)	(175)
		(657)	(175)
Total liabilities		(657)	(175)
Net assets attributable to shareholders		193,911	217,141

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	11,787	(28,982)
Forward currency contracts	(26)	(34)
Other gains/(losses)	47	(41)
Transaction charges	(38)	(37)
Net capital gains/(losses)	11,770	(29,094)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	39,315	74,993	73,880	75,017
Collective investment schemes	52,918	44,216	52,699	52,950
Corporate actions	–	–	128	–
Trades in the year before transaction costs	92,233	119,209	126,707	127,967
Commissions				
Equities	40	38	(39)	(46)
Total commissions	40	38	(39)	(46)
Taxes				
Equities	21	39	(76)	(68)
Total taxes	21	39	(76)	(68)
Total transaction costs	61	77	(115)	(114)
Total net trades in the year after transaction costs	92,294	119,286	126,592	127,853

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.10	0.05	0.05	0.06
Taxes				
Equities	0.05	0.05	0.10	0.09

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.04
Taxes	0.04	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.21% (2019: 0.16%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	65	499
Overseas dividends	7,180	6,470
Taxable distributions on offshore funds	17	4
Bank interest	–	14
Total revenue	7,262	6,987

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,285	1,374
Dealing charge	1	2
Registration fees	61	75
	1,347	1,451
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	17	18
Safe custody fee	22	79
	39	97
Other:		
Professional fees	16	6
Audit fee	6	5
	22	11
Total expenses	1,408	1,559

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	513	654
Total current tax	513	654
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	5,852	5,419
Corporation tax at 20% (2019: 20%)	1,171	1,084
Effects of:		
Revenue not subject to taxation	(1,359)	(1,277)
Overseas taxes	513	654
Overseas tax expensed	(14)	(13)
Excess allowable expenses	202	206
Total tax charge for year (note 6a)	513	654

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,243,000 (2019: £1,041,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	4,650	4,465
Add: Income deducted on cancellation of shares	849	409
Deduct: Income received on issue of shares	(159)	(109)
Net distribution for the year	5,340	4,765

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	361	63
Sales awaiting settlement	53	8
Accrued revenue	640	755
Expenses reimbursement receivable from the ACD	14	16
Total debtors	1,068	842

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	532	5
Purchases awaiting settlement	–	32
Accrued expenses payable to ACD	102	103
Accrued expenses payable to the Depositary or associates of the Depositary	9	21
Other accrued expenses	14	14
Total creditors	657	175

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due to or from Aberdeen Standard Fund Managers Limited at the year end are disclosed in notes 8 and 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	62,336,727	14,387,643	(13,375,558)	(112,743)	63,236,069
Institutional accumulation	86,284,972	117,534	(37,510,393)	–	48,892,113
Standard Life accumulation	1,401,120	163,071	(264,275)	–	1,299,916
Standard Life B accumulation	96,380,715	–	(4,343,746)	–	92,036,969
Platform 1 accumulation	3,071,319	580,218	(1,015,725)	108,562	2,744,374

12 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Equities	191,830	–	–	214,578	–	–
Collective Investment Schemes	–	1,261	–	–	1,042	–
Total investment assets	191,830	1,261	–	214,578	1,042	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £9,655,000 (2019: £10,781,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £9,498,000 (2019: £10,700,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	–	310
Brazilian Real	10,409	13,513
Chilean Peso	1,517	2,200
China Renminbi	678	2,598
Hong Kong Dollar	47,542	54,798
Indian Rupee	15,312	17,777
Indonesian Rupiah	3,211	2,144
Mexican Peso	10,833	7,675
Russian Ruble	2,638	1,004
South Africa Rand	6,336	9,745
South Korean Won	26,387	32,213
Taiwan Dollar	19,697	18,229
Thai Baht	5,266	7,815
Turkish Lira	1,126	988
US Dollar	39,006	42,999

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	1,260	2,693	3,953
Brazilian Real	7	10,402	10,409
Chilean Peso	–	1,517	1,517
China Renminbi	–	678	678
Hong Kong Dollar	–	47,542	47,542
Indian Rupee	–	15,312	15,312
Indonesian Rupiah	–	3,211	3,211
Mexican Peso	–	10,833	10,833
Russian Ruble	–	2,638	2,638
South Africa Rand	–	6,336	6,336
South Korean Won	–	26,387	26,387
Taiwan Dollar	194	19,503	19,697
Thai Baht	–	5,266	5,266
Turkish Lira	–	1,126	1,126
US Dollar	211	38,795	39,006
2019			
Currency			
UK Sterling	1,043	2,090	3,133
Australian Dollar	–	310	310
Brazilian Real	–	13,513	13,513
Chilean Peso	–	2,200	2,200
China Renminbi	–	2,598	2,598
Hong Kong Dollar	–	54,798	54,798
Indian Rupee	–	17,777	17,777
Indonesian Rupiah	–	2,144	2,144
Mexican Peso	–	7,675	7,675
Russian Ruble	–	1,004	1,004
South Africa Rand	–	9,745	9,745
South Korean Won	–	32,213	32,213
Taiwan Dollar	56	18,173	18,229
Thai Baht	–	7,815	7,815
Turkish Lira	–	988	988
US Dollar	797	42,202	42,999

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Accumulation' was 87.65p. The Net Asset Value of share class 'Retail Accumulation' as at 12 noon on 17 June 2020 was 85.27p. This represents a decrease of 2.71% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	1.4749	-	1.4749*	1.1437
Group 2	0.4344	1.0405	1.4749*	1.1437
Institutional accumulation				
Group 1	1.9524	-	1.9524*	1.5631
Group 2	1.1884	0.7640	1.9524*	1.5631
Standard Life accumulation				
Group 1	2.3640	-	2.3640*	1.9484
Group 2	1.0625	1.3015	2.3640*	1.9484
Standard Life B accumulation				
Group 1	2.9114	-	2.9114*	2.4174
Group 2	2.9114	-	2.9114*	2.4174
Platform 1 accumulation				
Group 1	1.8973	-	1.8973*	1.5097
Group 2	1.0681	0.8292	1.8973*	1.5097

* Distribution accumulated on 29 February 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI AAA Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling-denominated bonds with a high degree of creditworthiness.

Performance Target: To achieve the return of the Markit iBoxx Sterling Non Gilts AAA plus 0.65% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 60% in Sterling denominated bonds, such as government and corporate bonds (including asset backed and mortgage backed).
- The Fund may invest in bonds issued anywhere in the world by governments and corporations, such as sub-sovereigns, inflation-linked, convertible, asset backed and mortgage backed bonds. The Fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- At the point of investment, bonds shall have a credit rating of "AAA-" or higher from at least one major rating agency such as Standard & Poor's, Moody's or Fitch, with the exception of any UK Government bond held by the Fund (up to a 20% limit).
- The Fund may also invest in other Funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's prospects and creditworthiness compared to that of the market.
- In seeking to achieve the Performance Target, the Markit iBoxx Sterling Non Gilts (AAA) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 3%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the Markit iBoxx Sterling Non Gilts (AAA) over the long term.

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques:

- The Fund will routinely use derivatives to reduce risk, reduce cost, and/ or generate extra income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the Fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions"). These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or credit worthiness of corporations or governments.

Performance

Over the period under review, the Fund returned 6.4%. This compared to a return of 0.0% for our performance target (the Markit iBoxx Sterling Non Gilts AAA Index +0.65%).

The Fund outperformed its target over the review period. In terms of individual securities, the top contributor to relative performance was the Fund's off-benchmark exposure to the Trafford Centre, which is a large shopping centre and leisure complex in Trafford in the north of the UK. Another leading contributor was our conviction overweight in Wellcome Trust, which is the UK's largest charitable foundation and one of the world's largest funders of medical research. On the negative side, the worst performer for the Fund in the period was UK property development and investment company British Land, including through its financing vehicle Meadowhall Finance. Other detractors over the period, included overweights in the majority Dutch state-owned BNG Bank and Oxford University.

Investment activity

In the first half of the review period, in the primary market, we purchased the new secured short-dated bonds from New York Life in US dollars and a new mortgage-backed-security issuance from Paragon Mortgages. We also purchased the new secured bonds of the London shopping centre Westfield Stratford City in sterling, which we believe provided good value and diversification in the AAA-rated space. In latter part of the review period, we bought the new issue bonds of the Canada Pension Plan Investment Board and the new bonds of International Finance Corporation, which is part of the World Bank.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future. The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 3 because of the extent to which the following risk factors apply:

- The Fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	94.98	94.41	94.89
Return before operating charges*	6.72	1.55	0.50
Operating charges	(1.02)	(0.98)	(0.98)
Return after operating charges*	5.70	0.57	(0.48)
Distributions	(1.36)	(1.47)	(1.32)
Retained distributions on accumulation shares	1.36	1.47	1.32
Closing net asset value per share	100.68	94.98	94.41
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.00%	0.60%	(0.51%)
Other information			
Closing net asset value (£'000)	8,853	9,315	10,220
Closing number of shares	8,792,333	9,807,474	10,824,918
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	101.0	95.92	96.92
Lowest share price	95.20	93.74	93.85

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	102.70	101.66	101.76
Return before operating charges*	7.27	1.67	0.53
Operating charges	(0.65)	(0.63)	(0.63)
Return after operating charges*	6.62	1.04	(0.10)
Distributions	(1.92)	(2.02)	(1.85)
Retained distributions on accumulation shares	1.92	2.02	1.85
Closing net asset value per share	109.32	102.70	101.66
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.45%	1.02%	(0.10%)
Other information			
Closing net asset value (£'000)	6,852	7,849	9,247
Closing number of shares	6,267,856	7,643,067	9,095,565
Operating charges	0.61%	0.61%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	109.7	103.7	104.2
Lowest share price	102.9	101.2	101.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	55.96	56.50	57.57
Return before operating charges*	3.95	0.92	0.33
Operating charges	(0.60)	(0.58)	(0.60)
Return after operating charges*	3.35	0.34	(0.27)
Distributions	(0.80)	(0.88)	(0.80)
Closing net asset value per share	58.51	55.96	56.50
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.99%	0.60%	(0.47%)
Other information			
Closing net asset value (£'000)	2,344	2,506	2,826
Closing number of shares	4,005,816	4,478,941	5,001,772
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	58.96	57.15	58.50
Lowest share price	56.08	55.66	56.40

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	56.33	56.87	57.96
Return before operating charges*	3.99	0.93	0.32
Operating charges	(0.36)	(0.35)	(0.36)
Return after operating charges*	3.63	0.58	(0.04)
Distributions	(1.05)	(1.12)	(1.05)
Closing net asset value per share	58.91	56.33	56.87
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.44%	1.02%	(0.07%)
Other information			
Closing net asset value (£'000)	4,481	6,340	8,970
Closing number of shares	7,607,642	11,255,422	15,771,866
Operating charges	0.61%	0.61%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	59.39	57.59	58.96
Lowest share price	56.46	56.06	56.83

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail CAT accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	95.81	95.21	95.65
Return before operating charges*	6.78	1.56	0.52
Operating charges	(0.99)	(0.96)	(0.96)
Return after operating charges*	5.79	0.60	(0.44)
Distributions	(1.41)	(1.52)	(1.37)
Retained distributions on accumulation shares	1.41	1.52	1.37
Closing net asset value per share	101.60	95.81	95.21
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.04%	0.63%	(0.46%)
Other information			
Closing net asset value (£'000)	25,438	25,825	28,208
Closing number of shares	25,036,471	26,954,716	29,627,127
Operating charges	1.00%	1.00%	1.00%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	101.9	96.76	97.72
Lowest share price	96.03	94.55	94.64

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	52.75	53.28	54.30
Return before operating charges*	3.96	0.99	0.25
Operating charges	(0.02)	(0.02)	(0.02)
Return after operating charges*	3.94	0.97	0.23
Distributions	(1.77)	(1.50)	(1.25)
Closing net asset value per share	54.92	52.75	53.28
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	7.47%	1.82%	0.42%
Other information			
Closing net asset value (£'000)	– [^]	– [^]	1
Closing number of shares	189	189	2,000
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	55.70	54.03	55.30
Lowest share price	52.86	52.58	53.28

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £104 (2019: £100).

Retail CAT income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	56.32	56.86	57.94
Return before operating charges*	3.97	0.93	0.32
Operating charges	(0.58)	(0.57)	(0.58)
Return after operating charges*	3.39	0.36	(0.26)
Distributions	(0.82)	(0.90)	(0.90)
Closing net asset value per share	58.89	56.32	56.86
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.02%	0.63%	(0.45%)
Other information			
Closing net asset value (£'000)	4,801	4,900	5,479
Closing number of shares	8,152,498	8,699,190	9,636,126
Operating charges	1.00%	1.00%	1.00%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	59.30	57.53	58.89
Lowest share price	56.40	56.03	56.77

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	75.46	74.32	74.02
Return before operating charges*	5.35	1.22	0.38
Operating charges	(0.09)	(0.08)	(0.08)
Return after operating charges*	5.26	1.14	0.30
Distributions	(1.81)	(1.86)	(1.73)
Retained distributions on accumulation shares	1.81	1.86	1.73
Closing net asset value per share	80.72	75.46	74.32
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.97%	1.54%	0.41%
Other information			
Closing net asset value (£'000)	99	117	149
Closing number of shares	122,646	155,089	199,922
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	81.00	76.17	75.96
Lowest share price	75.63	74.21	73.79

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	75.07	74.16	74.08
Return before operating charges*	5.33	1.22	0.39
Operating charges	(0.32)	(0.31)	(0.31)
Return after operating charges*	5.01	0.91	0.08
Distributions	(1.56)	(1.63)	(1.50)
Retained distributions on accumulation shares	1.56	1.63	1.50
Closing net asset value per share	80.08	75.07	74.16
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.67%	1.23%	0.11%
Other information			
Closing net asset value (£'000)	4,672	3,808	3,803
Closing number of shares	5,834,402	5,072,823	5,128,376
Operating charges	0.41%	0.41%	0.41%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	80.30	75.80	75.91
Lowest share price	75.24	73.92	73.71

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life B accumulation ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	76.40	75.99
Return before operating charges*	0.46	0.41
Operating charges	–	–
Return after operating charges*	0.46	0.41
Distributions	(0.48)	(1.85)
Retained distributions on accumulation shares	0.48	1.85
Closing net asset value per share	(76.86)	76.40
 * after direct transaction costs of:	 –	 –
Performance		
Return after charges	0.60%	0.54%
Other information		
Closing net asset value (£'000)	–	3
Closing number of shares	–	4,000
Operating charges	0.03%	0.00%
Direct transaction costs	0.00%	0.00%
Prices		
Highest share price	77.54	78.04
Lowest share price	76.35	75.76

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life B accumulation share class closed on 7 June 2018.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	60.62	60.03	60.11
Return before operating charges*	4.30	0.99	0.32
Operating charges	(0.42)	(0.40)	(0.40)
Return after operating charges*	3.88	0.59	(0.08)
Distributions	(1.10)	(1.16)	(1.06)
Retained distributions on accumulation shares	1.10	1.16	1.06
Closing net asset value per share	64.50	60.62	60.03
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.40%	0.98%	(0.14%)
Other information			
Closing net asset value (£'000)	6,239	5,953	7,685
Closing number of shares	9,673,925	9,821,056	12,801,026
Operating charges	0.66%	0.66%	0.66%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	64.69	61.21	61.52
Lowest share price	60.76	59.74	59.67

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	53.32	53.83	54.86
Return before operating charges*	3.76	0.89	0.29
Operating charges	(0.36)	(0.36)	(0.36)
Return after operating charges*	3.40	0.53	(0.07)
Distributions	(0.96)	(1.04)	(0.96)
Closing net asset value per share	55.76	53.32	53.83
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.38%	0.98%	(0.13%)
Other information			
Closing net asset value (£'000)	2,768	2,980	3,530
Closing number of shares	4,963,837	5,588,233	6,557,599
Operating charges	0.66%	0.66%	0.66%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	56.21	54.51	55.81
Lowest share price	53.44	53.06	53.79

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	54.53	53.86	53.81
Return before operating charges*	3.87	0.88	0.26
Operating charges	(0.22)	(0.21)	(0.21)
Return after operating charges*	3.65	0.67	0.05
Distributions	(1.15)	(1.19)	(1.07)
Retained distributions on accumulation shares	1.15	1.19	1.07
Closing net asset value per share	58.18	54.53	53.86
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.69%	1.24%	0.10%
Other information			
Closing net asset value (£'000)	4,892	5,063	6,200
Closing number of shares	8,408,130	9,284,839	11,511,712
Operating charges	0.39%	0.39%	0.39%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	58.35	55.06	55.12
Lowest share price	54.65	53.69	53.53

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	51.06	51.55	52.53
Return before operating charges*	3.61	0.84	0.30
Operating charges	(0.21)	(0.20)	(0.21)
Return after operating charges*	3.40	0.64	0.09
Distributions	(1.06)	(1.13)	(1.07)
Closing net asset value per share	53.40	51.06	51.55
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	6.66%	1.24%	0.17%
Other information			
Closing net asset value (£'000)	147,279	98,959	94,522
Closing number of shares	275,818,260	193,809,856	183,354,619
Operating charges	0.39%	0.39%	0.39%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	53.86	52.23	53.47
Lowest share price	51.18	50.83	51.54

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (97.18%)		208,624	95.39
Euro Denominated Bonds (2.46%)		3,545	1.62
Corporate Bonds (1.94%)		1,796	0.82
between 5 and 10 years to maturity			
1,650,000	Microsoft 3.125% 2028	1,796	0.82
Government Bonds (0.52%)		1,749	0.80
between 5 and 10 years to maturity			
1,800,000	Temasek 1.5% 2028	1,749	0.80
Sterling Denominated Bonds (90.19%)		187,800	85.86
Corporate Bonds (62.51%)		123,535	56.48
less than 5 years to maturity			
530,000	Aareal Bank 1% 2020	530	0.24
4,000,000	Bank Nederlandse Gemeenten 1% 2022	4,023	1.84
7,571,000	Bank Nederlandse Gemeenten 5.375% 2021	8,015	3.66
700,000	Bank of Scotland 4.875% 2024	829	0.38
4,000,000	Barclays 4.25% 2022	4,253	1.94
675,000	Inter-American Development Bank 1.25% 2023	690	0.31
1,000,000	Johnson & Johnson 5.5% 2024	1,209	0.55
1,000,000	KFW 0.375% 2020	998	0.46
1,390,000	KFW 0.875% 2022	1,397	0.64
2,600,000	KFW 5.55% 2021	2,760	1.26
741,000	L-Bank 1.375% 2023	760	0.35
940,000	Lloyds Bank 1.75% 2022	958	0.44
1,190,000	New York Life Global Funding 1% 2021	1,193	0.55
516,000	New York Life Global Funding 1.625% 2023	528	0.24
1,933,000	New York Life Global Funding 1.75% 2022	1,975	0.90
1,000,000	Penarth Master Issuer FRN 2022	1,000	0.46
750,000	Royal Bank of Canada 1.125% 2021	754	0.34
3,477,000	Royal Bank of Scotland 5.125% 2024	4,047	1.85
5,025,000	Wellcome Trust 4.75% 2021	5,262	2.41
1,440,000	Westpac Banking 1% 2022	1,444	0.66
between 5 and 10 years to maturity			
1,803,000	Asian Development Bank 1.375% 2025	1,866	0.85
5,130,000	Broadgate Financing 4.949% 2031	1,658	0.76
2,100,000	Clydesdale Bank 4.625% 2026	2,571	1.18
5,048,000	Commonwealth Bank of Australia 3% 2026	5,707	2.61
2,320,000	Credit Foncier 5.5% 2027	3,026	1.38
5,000,000	International Finance 0.75% 2027	5,031	2.30

Holding	Investment	Market value £'000	Percentage of total net assets
1,265,000	KFW 5.5% 2025	1,579	0.72
1,700,000	KFW 6% 2028	2,462	1.13
2,000,000	Landwirtschaftliche Rentenbank 1.375% 2025	2,084	0.95
1,174,000	Lloyds Bank 4.875% 2027	1,485	0.68
2,000,000	Lloyds Bank 5.125% 2025	2,408	1.10
2,380,000	Lloyds Bank 6% 2029	3,366	1.54
2,000,000	National Australia Bank 3% 2026	2,263	1.03
2,500,000	Nationwide Building Society 5.625% 2026	3,195	1.46
1,015,000	New York Life Global Funding 1.25% 2026	1,024	0.47
700,000	Newday Funding 2018-2 FRN 2026	702	0.32
4,141,000	Santander UK 5.75% 2026	5,318	2.43
2,427,000	Westfield Stratford City Finance 1.642% 2026	2,503	1.14
between 10 and 15 years to maturity			
610,000	Broadgate Financing 4.821% 2036	845	0.39
800,000	Broadgate Financing 4.851% 2033	1,054	0.48
1,595,000	Canary Wharf Finance 6.455% 2033	398	0.18
1,046,000	KFW 5.75% 2032	1,646	0.75
6,980,000	Meadowhall Finance 4.986% 2032	6,051	2.77
2,000,000	Nederlandse Waterschapsbank 5.375% 2032	3,011	1.38
between 15 and 25 years to maturity			
1,700,000	SLM Student Loan Trust 5.15% 2039	1,616	0.74
2,033,000	Temasek 5.125% 2040	3,369	1.54
3,000,000	Trafford Centre FRN 2038	2,775	1.27
1,300,000	Wellcome Trust 4.625% 2036	1,984	0.91
greater than 25 years to maturity			
961,000	Paragon FRN 2045	725	0.33
801,000	Paragon FRN 2050	723	0.33
340,000	Precise Mortgage Funding FRN 2056	339	0.16
700,000	RMAC FRN 2046	563	0.26
644,000	University of Cambridge 2.35% 2078	919	0.42
680,000	University of Cambridge 3.75% 2052	1,114	0.51
2,889,000	University of Oxford 2.544% 2117	3,700	1.69
521,000	Wellcome Trust 2.517% 2118	679	0.31
630,000	Wellcome Trust 4% 2059	1,151	0.53
Government Bonds (27.68%)		64,265	29.38
less than 5 years to maturity			
543,000	CPPIB Capital 0.875% 2024	547	0.25
740,000	European Investment Bank 0.875% 2023	748	0.34
3,600,000	European Investment Bank 1.125% 2021	3,628	1.66
800,000	European Investment Bank 2.25% 2020	800	0.37

Holding	Investment	Market value £'000	Percentage of total net assets
1,300,000	European Investment Bank 4.25% 2021	1,383	0.63
1,200,000	International Bank for Reconstruction & Development 1.375% 2020	1,206	0.55
1,430,000	KFW 1.625% 2020	1,433	0.65
1,670,000	UK (Govt of) 2.75% 2024	1,853	0.85
between 5 and 10 years to maturity			
750,000	European Bank for Reconstruction & Development 5.625% 2028	1,054	0.48
2,000,000	European Investment Bank 1% 2026	2,045	0.94
2,250,000	European Investment Bank 4.5% 2029	3,005	1.37
4,741,000	European Investment Bank 5.5% 2025	5,892	2.69
1,200,000	European Investment Bank 6% 2028	1,735	0.79
2,400,000	Inter-American Development Bank 0.5% 2026	2,368	1.08
2,500,000	KFW 0.875% 2026	2,534	1.16
10,000,000	UK (Govt of) 1.5% 2026	10,771	4.92
980,000	UK (Govt of) 6% 2028	1,458	0.67
between 10 and 15 years to maturity			
2,900,000	European Investment Bank 5.625% fixed to floating 2032	4,502	2.06
1,750,000	Tenn Valley Authority 5.625% 2032	2,620	1.20
between 15 and 25 years to maturity			
3,210,000	European Investment Bank 3.875% 2037	4,658	2.13
1,500,000	European Investment Bank 4.5% 2044	2,543	1.16
3,000,000	European Investment Bank 5% 2039	5,064	2.32
greater than 25 years to maturity			
1,211,000	European Investment Bank 4.625% fixed to floating 2054	2,418	1.11
Sweden Denominated Bonds (0.00%)		8,644	3.95
Government bonds (0.00%)		8,644	3.95
between 5 and 10 years to maturity			
102,800,000	Kommuninvest I Sverige 1% 2025	8,644	3.95
US Dollar Denominated Bonds (4.53%)		8,635	3.96
Corporate Bonds (4.53%)		8,635	3.96
between 5 and 10 years to maturity			
1,300,000	Johnson & Johnson 2.45% 2026	1,071	0.49
1,500,000	New York Life Global Funding 3% 2028	1,283	0.59
between 10 and 15 years to maturity			
2,680,000	Microsoft 3.5% 2035	2,442	1.12
between 15 and 25 years to maturity			
3,250,000	Johnson & Johnson 5.95% 2037	3,839	1.76

Holding	Investment	Market value £'000	Percentage of total net assets
Collective Investment Schemes (1.15%)		4,201	1.92
4,201	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	4,201	1.92
Derivatives (0.33%)		(446)	(0.21)
Forward Currency Contracts (0.15%)		(275)	(0.13)
	Buy EUR 1,886,098 Sell GBP 1,582,593 05/05/2020	43	0.02
	Buy GBP 5,143,790 Sell EUR 6,045,330 05/05/2020	(67)	(0.03)
	Buy GBP 976,102 Sell SEK 12,305,079 05/05/2020	(19)	(0.01)
	Buy GBP 7,673,201 Sell SEK 95,962,828 05/05/2020	(86)	(0.04)
	Buy GBP 8,242,420 Sell USD 10,732,414 05/05/2020	(146)	(0.07)
Futures (0.04%)		(365)	(0.17)
124	Long Australia 3 Year Bond Future 16/03/2020	60	0.03
(40)	Short Euro Bond Future 06/03/2020	(187)	(0.09)
(32)	Short Long Gilt Future 26/06/2020	(42)	(0.02)
(13)	Short US 10 Year Ultra Future 19/06/2020	(30)	(0.01)
(47)	Short US Long Bond (CBT) Future 19/06/2020	(166)	(0.08)
Interest Rate Swaps (0.14%)		194	0.09
GBP 2,900,000	Pay fixed 1.4887% receive floating GBP-LIBOR 05/04/2039	(411)	(0.19)
SEK 20,900,000	Pay floating SEK-STIBOR receive fixed 0.1813% 24/01/2021	1	-
GBP 4,000,000	Pay floating GBP-LIBOR receive fixed 2.6% 25/10/2023	318	0.15
GBP 10,800,000	Pay floating GBP-LIBOR receive fixed 1.1765% 05/04/2024	286	0.13
Total investment assets and liabilities		212,379	97.10
Net other assets		6,339	2.90
Total Net Assets		218,718	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	8,134	(1,689)
Revenue	4	4,680	4,610
Expenses	5	(1,072)	(1,035)
Interest payable and similar charges		(1)	-
Net revenue before taxation		3,607	3,575
Taxation	6	-	-
Net revenue after taxation		3,607	3,575
Total return before distributions		11,741	1,886
Distributions	7	(3,607)	(3,575)
Change in net assets attributable to shareholders from investment activities		8,134	(1,689)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	173,615	180,843
Amounts receivable on the issue of shares	53,310	16,581
Amounts payable on the cancellation of shares	(17,276)	(23,187)
	36,034	(6,606)
Dilution adjustment	19	-
Change in net assets attributable to shareholders from investment activities (see above)	8,134	(1,689)
Retained distribution on accumulation shares	916	1,067
Closing net assets attributable to shareholders	218,718	173,615

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		213,533	171,512
Current assets:			
Debtors	8	3,913	2,911
Cash and bank balances	9	3,439	344
		7,352	3,255
Total assets		220,885	174,767
Liabilities:			
Investment liabilities		(1,154)	(222)
Creditors	10	(321)	(316)
Distribution payable		(692)	(614)
		(1,013)	(930)
Total liabilities		(2,167)	(1,152)
Net assets attributable to shareholders		218,718	173,615

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	9,481	(1,092)
Derivative contracts	(1,199)	(398)
Forward currency contracts	(250)	(202)
Other gains	109	8
Transaction charges	(7)	(5)
Net capital gains/(losses)	8,134	(1,689)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	44,285	10,581	10,650	12,265
Collective investment schemes	52,821	32,915	50,600	35,173
Corporate actions	–	–	1,912	1,210
Trades in the year before transaction costs	97,106	43,496	63,162	48,648
Total net trades in the year after transaction costs	97,106	43,496	63,162	48,648

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.46% (2019: 0.41%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Taxable distributions on offshore funds	50	8
Interest on debt securities	4,553	4,517
Derivative revenue	76	71
Bank interest	1	14
Total revenue	4,680	4,610

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	851	839
Dealing charge	43	36
Registration fees	123	107
	1,017	982
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	28	28
Safe custody fee	13	13
	41	41
Other:		
Professional fees	1	–
Audit fee	13	12
	14	12
Total expenses	1,072	1,035

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	3,607	3,575
Corporation tax at 20% (2019: 20%)	722	715
Effects of:		
Distributions treated as tax deductible	(722)	(715)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	895	909
Second interim distribution	1,055	896
Third interim distribution	902	881
Final distribution	882	867
	3,734	3,553
Add: Income deducted on cancellation of shares	42	69
Deduct: Income received on issue of shares	(169)	(47)
Net distribution for the year	3,607	3,575

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	1,014	48
Accrued revenue	2,899	2,863
Total debtors	3,913	2,911

9 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	673	402
Cash and bank balances	2,766	186
Cash overdrafts at broker	–	(244)
Total cash and bank balances	3,439	344

10 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	218	223
Accrued expenses payable to ACD	83	72
Accrued expenses payable to the Depositary or associates of the Depositary	3	8
Other accrued expenses	17	13
Total creditors	321	316

11 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 10.

12 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	9,807,474	136,952	(772,106)	(379,987)	8,792,333
Institutional accumulation	7,643,067	86,889	(1,410,290)	(51,810)	6,267,856
Retail income	4,478,941	14,877	(381,493)	(106,509)	4,005,816
Institutional income	11,255,422	199,765	(4,396,773)	549,228	7,607,642
Retail CAT accumulation	26,954,716	129,256	(2,029,401)	(18,100)	25,036,471
Standard Life income	189	–	–	–	189
Retail CAT income	8,699,190	395,909	(615,801)	(326,800)	8,152,498
Standard Life accumulation	155,089	959	(33,402)	–	122,646
Institutional regulated accumulation	5,072,823	6,946,014	(6,184,435)	–	5,834,402
Platform 1 accumulation	9,821,056	757,143	(1,605,717)	701,443	9,673,925
Platform 1 income	5,588,233	231,553	(924,845)	68,896	4,963,837
Institutional S accumulation	9,284,839	315,913	(1,192,622)	–	8,408,130
Institutional S income	193,809,856	88,026,905	(5,829,252)	(189,249)	275,818,260

13 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	21,216	187,408	–	8,575	160,152	–
Collective Investment Schemes	–	4,201	–	–	1,989	–
Derivatives	60	648	–	140	656	–
Total investment assets	21,276	192,257	–	8,715	162,797	–
Derivatives	(425)	(729)	–	(74)	(148)	–
Total investment liabilities	(425)	(729)	–	(74)	(148)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

14 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	1.92%	2.23%	2.06%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	1.84%	2.51%	2.12%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 2.08%, £4,417,000 (2019: 2.03%, £3,531,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Australian Dollar	60	49
Euro	1,541	165
Swedish Krona	(43)	(148)
US Dollar	75	(100)

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/(liabilities) £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	12,926	180,974	23,185	217,085
Australian Dollar	–	–	60	60
Euro	1,735	3,545	(3,739)	1,541
Swedish Krona	1	8,644	(8,688)	(43)
US Dollar	(2)	8,635	(8,558)	75
2019				
Currency				
UK Sterling	9,870	149,257	14,522	173,649
Australian Dollar	–	–	49	49
Euro	1,863	2,602	(4,300)	165
Swedish Krona	(148)	–	–	(148)
US Dollar	3	7,864	(7,967)	(100)

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	208,624	168,727
Total Value of Bonds	208,624	168,727

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management or to meet the Fund's investment objectives. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

Market Exposure	2020 £'000	2019 £'000
Forward Currency Contracts	23,979	12,337
Futures	25,513	54,406
Interest Rate Swaps	19,388	14,635
Total Market Exposure	68,880	81,378

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

Counterparty or clearer	Collateral (held)/ pledged £'000	2020 Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/ pledged £'000	2019 Margin at clearing broker £'000	Market value of derivatives £'000
Bank of America Merrill Lynch	-	-	(210)	(111)	-	141
Deutsche Bank	-	-	(213)	-	-	-
Goldman Sachs	158	540	(365)	97	383	57
JP Morgan	-	-	-	(130)	-	108
Morgan Stanley	(335)	-	318	(297)	-	260
NatWest Markets	-	-	(19)	-	-	-
Societe Generale	-	-	-	-	-	8
UBS	-	-	43	-	-	-
Total	(177)	540	(446)	(441)	383	574

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Regulated Accumulation' was 80.08p. The Net Asset Value of share class 'Institutional Regulated Accumulation' as at 12 noon on 17 June 2020 was 81.38p. This represents an increase of 1.62% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.3753	-	0.3753*	0.3666
Group 2	0.2100	0.1653	0.3753*	0.3666
Institutional accumulation				
Group 1	0.5161	-	0.5161*	0.5030
Group 2	0.2310	0.2851	0.5161*	0.5030
Retail income				
Group 1	0.2211	-	0.2211**	0.2194
Group 2	0.1168	0.1043	0.2211**	0.2194
Institutional income				
Group 1	0.2831	-	0.2831**	0.2813
Group 2	0.1346	0.1485	0.2831**	0.2813
Retail CAT accumulation				
Group 1	0.3872	-	0.3872*	0.3779
Group 2	0.2510	0.1362	0.3872*	0.3779
Standard Life income				
Group 1	0.4813	-	0.4813**	0.3345
Group 2	-	-	0.0000**	-
Retail CAT income				
Group 1	0.2275	-	0.2275**	0.2257
Group 2	0.1527	0.0748	0.2275**	0.2257
Standard Life accumulation				
Group 1	0.4760	-	0.4760*	0.4622
Group 2	-	-	-	0.4622
Institutional regulated accumulation				
Group 1	0.4156	-	0.4156*	0.4045
Group 2	0.0660	0.3496	0.4156*	0.4045
Platform 1 accumulation				
Group 1	0.2968	-	0.2968*	0.2894
Group 2	0.2213	0.0755	0.2968*	0.2894

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Platform 1 income				
Group 1	0.2611	-	0.2611**	0.2595
Group 2	0.1655	0.0956	0.2611**	0.2595
Institutional S accumulation				
Group 1	0.3047	-	0.3047*	0.2965
Group 2	0.1202	0.1845	0.3047*	0.2965
Institutional S income				
Group 1	0.2853	-	0.2853**	0.2838
Group 2	0.1148	0.1705	0.2853**	0.2838

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.3949	-	0.3949*	0.3699
Group 2	0.2366	0.1583	0.3949*	0.3699
Institutional accumulation				
Group 1	0.5405	-	0.5405*	0.5077
Group 2	0.3081	0.2324	0.5405*	0.5077
Retail income				
Group 1	0.2317	-	0.2317**	0.2205
Group 2	0.0973	0.1344	0.2317**	0.2205
Institutional income				
Group 1	0.2950	-	0.2950**	0.2827
Group 2	0.1857	0.1093	0.2950**	0.2827
Retail CAT accumulation				
Group 1	0.4064	-	0.4064*	0.3812
Group 2	0.2598	0.1466	0.4064*	0.3812
Standard Life income				
Group 1	0.4866	-	0.4866**	0.3445
Group 2	-	-	-	-
Retail CAT income				
Group 1	0.2380	-	0.2380**	0.2268
Group 2	0.1273	0.1107	0.2380**	0.2268
Standard Life accumulation				
Group 1	0.4967	-	0.4967*	0.4666
Group 2	-	-	-	0.4666
Institutional regulated accumulation				
Group 1	0.4346	-	0.4346*	0.4086
Group 2	0.0706	0.3640	0.4346*	0.4086
Platform 1 accumulation				
Group 1	0.3111	-	0.3111*	0.2920
Group 2	0.1752	0.1359	0.3111*	0.2920

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Platform 1 income				
Group 1	0.2723	-	0.2723**	0.2607
Group 2	0.1392	0.1331	0.2723**	0.2607
Institutional S accumulation				
Group 1	0.3187	-	0.3187*	0.2995
Group 2	0.1933	0.1254	0.3187*	0.2995
Institutional S income				
Group 1	0.2969	-	0.2969**	0.2851
Group 2	0.1126	0.1843	0.2969**	0.2851

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.3072	-	0.3072*	0.3722
Group 2	0.1900	0.1172	0.3072*	0.3722
Institutional accumulation				
Group 1	0.4456	-	0.4456*	0.5088
Group 2	0.3044	0.1412	0.4456*	0.5088
Retail income				
Group 1	0.1797	-	0.1797**	0.2210
Group 2	0.0633	0.1164	0.1797**	0.2210
Institutional income				
Group 1	0.2420	-	0.2420**	0.2819
Group 2	0.1227	0.1193	0.2420**	0.2819
Retail CAT accumulation				
Group 1	0.3168	-	0.3168*	0.3830
Group 2	0.2039	0.1129	0.3168*	0.3830
Standard Life income				
Group 1	0.4073	-	0.4073**	0.3808
Group 2	-	-	-	0.3808
Retail CAT income				
Group 1	0.1848	-	0.1848**	0.2269
Group 2	0.0822	0.1026	0.1848**	0.2269
Standard Life accumulation				
Group 1	0.4271	-	0.4271*	0.4667
Group 2	-	-	-	0.4667
Institutional regulated accumulation				
Group 1	0.3648	-	0.3648*	0.4089
Group 2	0.1345	0.2303	0.3648*	0.4089
Platform 1 accumulation				
Group 1	0.2551	-	0.2551*	0.2928
Group 2	0.1389	0.1162	0.2551*	0.2928

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Platform 1 income				
Group 1	0.2222	-	0.2222**	0.2601
Group 2	0.1205	0.1017	0.2222**	0.2601
Institutional S accumulation				
Group 1	0.2683	-	0.2683*	0.2996
Group 2	0.1008	0.1675	0.2683*	0.2996
Institutional S income				
Group 1	0.2487	-	0.2487**	0.2838
Group 2	0.1234	0.1253	0.2487**	0.2838

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.2801	-	0.2801*	0.3652
Group 2	0.1671	0.1130	0.2801*	0.3652
Institutional accumulation				
Group 1	0.4168	-	0.4168*	0.5012
Group 2	0.2079	0.2089	0.4168*	0.5012
Retail income				
Group 1	0.1632	-	0.1632**	0.2161
Group 2	0.0627	0.1005	0.1632**	0.2161
Institutional income				
Group 1	0.2254	-	0.2254**	0.2763
Group 2	0.1248	0.1006	0.2254**	0.2763
Retail CAT accumulation				
Group 1	0.2976	-	0.2976*	0.3764
Group 2	0.1838	0.1138	0.2976*	0.3764
Standard Life income				
Group 1	0.3914	-	0.3914**	0.4390
Group 2	0.3914	-	0.3914**	0.4390
Retail CAT income				
Group 1	0.1694	-	0.1694**	0.2223
Group 2	0.1558	0.0136	0.1694**	0.2223
Standard Life accumulation				
Group 1	0.4063	-	0.4063*	0.4612
Group 2	0.1616	0.2447	0.4063*	0.4612
Institutional regulated accumulation				
Group 1	0.3455	-	0.3455*	0.4035
Group 2	0.0957	0.2498	0.3455*	0.4035
Platform 1 accumulation				
Group 1	0.2380	-	0.2380*	0.2883
Group 2	0.0769	0.1611	0.2380*	0.2883

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Platform 1 income				
Group 1	0.2065	-	0.2065**	0.2549
Group 2	0.0782	0.1283	0.2065**	0.2549
Institutional S accumulation				
Group 1	0.2533	-	0.2533*	0.2957
Group 2	0.1596	0.0937	0.2533*	0.2957
Institutional S income				
Group 1	0.2335	-	0.2335**	0.2785
Group 2	0.1009	0.1326	0.2335**	0.2785

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI American Income Equity Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in US equities (company shares).

Performance Target: To achieve the return of the S&P 500 Index, plus 2% per annum over rolling five year periods (before charges), with a yield greater than that of this index. The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio securities

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the US or companies that derive a significant proportion of their revenues or profits from US operations or have a significant proportion of their assets there.
- The Fund may also invest up to 20% in companies listed, incorporated or domiciled in Canada or Latin America.
- The Fund may also invest up to 20% in bonds (loans to companies or governments).
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. Given the Fund's income objective, the management team place particular emphasis on understanding business Fundamentals and dynamics and the impact this has on cash flow generation and the company's ability to allocate cash effectively. Typically, this leads towards stocks with positive operational trends, strong market positions, robust financial position and attractive dividend in terms of yield, growth and/or underappreciated cash return prospects.
- The combined average yield on assets in the Fund is expected to be higher than the broad US equity market, as represented by the S&P 500 Index.
- In seeking to achieve the Performance Target, the S&P 500 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 6%. Due to the income nature of the management process, the Fund's performance profile may deviate significantly from that of the S&P 500 Index.

Derivatives and techniques

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the 12-month period to the end of February, the Fund returned 13.9%. This compared to a return of 14.5% for our performance target (the S&P 500 Index +2%). Meanwhile, the Fund's yield was 1.04% over the year, versus a yield target of 2.0% (the S&P 500 Index).

Microsoft outperformed after it announced good results, particularly from accelerating growth generated by its cloud business. We are confident that Microsoft is a long-term winner from structural trends that include the continued advance of digitisation and the shift to cloud-based products and services. NextEra was another positive. The US renewable energy business announced better-than-expected results. Management also confirmed continued progress in reducing production costs for renewables, which we expect to fall below the cost for traditional sources of energy. A position in Mastercard was another standout performer. It reported healthy revenues that continued to exceed investor expectations. American Tower also reported a good set of results. The owner of specialist real estate for wireless operators is seeing accelerating growth both in the US and overseas. Additional highlights included AbbVie and Equinix. Avoiding Exxon Mobil and Boeing helped to improve relative performance.

On the downside, broadcaster and magazine publisher Meredith weighed on the Fund's performance. Worries of lower advertising spend from slower economic growth and the continuing shift to digital platforms played on investors' minds. Additionally, its broadcast business model came under scrutiny. Chevron underperformed. The shares of the US integrated oil company were hit by a falling oil price and a squeeze on refining margins. An initial supply glut, the US-China trade dispute and latterly the spread of the COVID-19 weighed on demand for crude. Elsewhere, US fast food operator Restaurant Brands detracted from performance. The firm's share price has been weighed down by weak sales at its Tim Horton brand. In the financial sector, Charles Schwab dragged on the Fund's return. Investors were concerned about what impact the US Federal Reserve's softer tone on interest rates would have on the wealth manager's profitability. Lastly, holdings in Cisco Systems and Anthem disappointed. Not having any exposure to Alphabet (the parent company of Google) and Nvidia adversely affected the Fund's relative returns.

Activity

During the period, we increased our position to Microsoft. The US software business is a major beneficiary of the shift to cloud computing. The acceleration of this move is starting to feed through to margin improvement. Cashflow is expected to grow in the next few years as capital expenditure looks to have peaked. We bought Kansas City Southern. The railroad operator is attractively valued and is well positioned to benefit from developments in precision railroad scheduling. We purchased biopharmaceutical firm AbbVie as its growth looks to be underpriced. Another purchase was Goldman Sachs. We believe the US multinational bank's various revenue growth initiatives are underappreciated by investors. The business is focused on broadening its wealth management and investment banking franchises. Citigroup was an investment whose valuation did not reflect the opportunity the bank has for improved return on equity. Elsewhere, we added to the Fund's position in Bristol-Myers Squibb. The pharmaceutical group's shares suffered when it agreed to buy Celgene. The fall in price was unwarranted and undervalued the business. We are confident the shares will re-rate.

We reduced our exposure to Wells Fargo and Bank of America due to the squeeze on their profit margins. We reduced our position to technology hardware specialist Cisco Systems following an earnings downgrade, and also took profits in cell tower construction firm American Tower. The company's shares had performed well from both improving earnings growth and falling interest rates. Anthem was sold ahead of potentially negative policy announcements in the run-up to the US presidential election. Lastly, we exited Home Depot, as the housing market is less robust and we expect increased pressure on the firm's share price.

Outlook and Strategy

The positive outlook for companies at the start of the year has been overwhelmed by the spread of the coronavirus globally. This will cause a sharp slowdown in economic activity and lead to earnings downgrades for many companies. The equity market sell-off has been fairly indiscriminate. For now, it is hard to see a sustained recovery until there are clear signs that the virus has peaked and been contained. When this happens, we expect a sharp recovery in markets.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund’s investments are concentrated in a particular country or sector.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund’s ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative Tables

	2020 pence per share	2019 pence per share	2018 pence per share
Retail accumulation			
Change in net assets per share			
Opening net asset value per share	67.52	63.66	63.74
Return before operating charges*	10.04	4.78	0.78
Operating charges	(1.05)	(0.92)	(0.86)
Return after operating charges*	8.99	3.86	(0.08)
Distributions	(0.46)	(0.45)	(0.37)
Retained distributions on accumulation shares	0.46	0.45	0.37
Closing net asset value per share	76.51	67.52	63.66
 * after direct transaction costs of:	 0.04	 0.03	 0.06
Performance			
Return after charges	13.31%	6.06%	(0.13%)
Other information			
Closing net asset value (£'000)	782	47	18
Closing number of shares	1,021,806	69,952	27,330
Operating charges	1.33%	1.35%	1.35%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	86.30	72.58	66.19
Lowest share price	67.90	59.16	60.23

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	68.38	64.16	63.95
Return before operating charges*	10.13	4.81	0.77
Operating charges	(0.69)	(0.59)	(0.56)
Return after operating charges*	9.44	4.22	0.21
Distributions	(0.88)	(0.76)	(0.66)
Retained distributions on accumulation shares	0.88	0.76	0.66
Closing net asset value per share	77.82	68.38	64.16
 * after direct transaction costs of:	 0.04	 0.03	 0.06
Performance			
Return after charges	13.81%	6.58%	0.33%
Other information			
Closing net asset value (£'000)	120,176	5,956	29,159
Closing number of shares	154,428,294	8,711,396	45,445,743
Operating charges	0.86%	0.88%	0.88%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	87.80	73.36	66.67
Lowest share price	68.78	59.65	60.69

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.21	61.70	62.94
Return before operating charges*	9.52	4.64	0.79
Operating charges	(0.97)	(0.85)	(0.84)
Return after operating charges*	8.55	3.79	(0.05)
Distributions	(1.41)	(1.28)	(1.19)
Closing net asset value per share	71.35	64.21	61.70
 * after direct transaction costs of:	 0.04	 0.03	 0.05
Performance			
Return after charges	13.32%	6.14%	(0.08%)
Other information			
Closing net asset value (£'000)	20	5	8
Closing number of shares	27,320	7,086	12,698
Operating charges	1.33%	1.35%	1.35%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	80.90	69.69	64.71
Lowest share price	64.60	57.36	58.60

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.98	62.17	63.13
Return before operating charges*	9.56	4.66	0.75
Operating charges	(0.58)	(0.57)	(0.55)
Return after operating charges*	8.98	4.09	0.20
Distributions	(1.43)	(1.28)	(1.16)
Closing net asset value per share	72.53	64.98	62.17
 * after direct transaction costs of:	 0.04	 0.03	 0.05
Performance			
Return after charges	13.82%	6.58%	0.32%
Other information			
Closing net asset value (£'000)	29	15,763	24,208
Closing number of shares	39,821	24,257,979	38,941,637
Operating charges	0.86%	0.88%	0.88%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	82.22	70.39	64.92
Lowest share price	65.38	57.81	59.02

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	51.16	48.54	50.00 ^B
Return before operating charges*	7.57	3.65	(0.58)
Operating charges	(0.02)	(0.03)	(0.02)
Return after operating charges*	7.55	3.62	(0.60)
Distributions	(1.12)	(1.00)	(0.86)
Closing net asset value per share	57.59	51.16	48.54
 * after direct transaction costs of:	 0.03	 0.03	 0.04
Performance			
Return after charges	14.76%	7.46%	(1.20%)
Other information			
Closing net asset value (£'000)	12,047	11,364	10,786
Closing number of shares	20,920,164	22,213,109	22,223,059
Operating charges	0.03%	0.05%	0.05%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	65.26	55.23	50.59
Lowest share price	51.47	45.16	46.06

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life Income share class was launched on 15 March 2017.

^B The opening net asset value stated is the share class launch price.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	69.79	65.01	64.31
Return before operating charges*	10.34	4.87	0.78
Operating charges	(0.09)	(0.09)	(0.08)
Return after operating charges*	10.25	4.78	0.70
Distributions	(1.48)	(1.30)	(1.15)
Retained distributions on accumulation shares	1.48	1.30	1.15
Closing net asset value per share	80.04	69.79	65.01
 * after direct transaction costs of:	 0.04	 0.03	 0.06
Performance			
Return after charges	14.69%	7.35%	1.09%
Other information			
Closing net asset value (£'000)	54	54	71
Closing number of shares	67,641	77,457	109,605
Operating charges	0.11%	0.13%	0.13%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	90.30	74.66	67.49
Lowest share price	70.21	60.47	61.47

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	68.30	64.13	63.94
Return before operating charges*	10.12	4.81	0.78
Operating charges	(0.72)	(0.64)	(0.59)
Return after operating charges*	9.40	4.17	0.19
Distributions	(0.83)	(0.73)	(0.63)
Retained distributions on accumulation shares	0.83	0.73	0.63
Closing net asset value per share	77.70	68.30	64.13
 * after direct transaction costs of:	 0.04	 0.03	 0.06
Performance			
Return after charges	13.76%	6.50%	0.30%
Other information			
Closing net asset value (£'000)	315	200	69
Closing number of shares	405,072	292,192	107,901
Operating charges	0.91%	0.93%	0.93%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	87.67	73.30	66.64
Lowest share price	68.70	59.62	60.66

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.94	62.14	63.14
Return before operating charges*	9.63	4.65	0.74
Operating charges	(0.68)	(0.60)	(0.58)
Return after operating charges*	8.95	4.05	0.16
Distributions	(1.43)	(1.25)	(1.16)
Closing net asset value per share	72.46	64.94	62.14
 * after direct transaction costs of:	 0.04	 0.03	 0.05
Performance			
Return after charges	13.78%	6.52%	0.25%
Other information			
Closing net asset value (£'000)	64	34	9
Closing number of shares	88,761	51,996	14,526
Operating charges	0.91%	0.93%	0.93%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	82.14	70.36	64.93
Lowest share price	65.34	57.79	58.99

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	62.38	58.56	58.24
Return before operating charges*	9.49	4.25	0.76
Operating charges	(0.55)	(0.43)	(0.44)
Return after operating charges*	8.94	3.82	0.32
Distributions	(1.08)	(0.63)	(0.73)
Retained distributions on accumulation shares	1.08	0.63	0.73
Closing net asset value per share	71.32	62.38	58.56
 * after direct transaction costs of:	 0.04	 0.03	 0.05
Performance			
Return after charges	14.33%	6.52%	0.55%
Other information			
Closing net asset value (£'000)	1	— [^]	1
Closing number of shares	1,432	200	2,200
Operating charges	0.74%	0.70%	0.76%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	80.47	67.06	60.83
Lowest share price	62.75	54.45	55.39

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S accumulation is £125.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	59.65	57.01	57.76
Return before operating charges*	8.92	4.29	0.76
Operating charges	(0.52)	(0.42)	(0.43)
Return after operating charges*	8.40	3.87	0.33
Distributions	(1.35)	(1.23)	(1.08)
Closing net asset value per share	66.70	59.65	57.01
 * after direct transaction costs of:	 0.04	 0.03	 0.05
Performance			
Return after charges	14.08%	6.79%	0.57%
Other information			
Closing net asset value (£'000)	1	— [^]	1
Closing number of shares	1,504	200	2,200
Operating charges	0.74%	0.70%	0.76%
Direct transaction costs	0.05%	0.05%	0.09%
Prices			
Highest share price	75.60	64.65	59.47
Lowest share price	60.00	53.02	54.12

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S income is £119.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
North American Equities (97.55%)		130,982	98.12
Communication Services (7.72%)		8,415	6.30
45,579	Activision Blizzard	2,075	1.55
99,815	Comcast	3,164	2.37
74,906	Verizon Communications	3,176	2.38
Consumer Discretionary (5.98%)		10,688	8.01
124,518	Hanesbrands	1,291	0.97
16,134	McDonald's	2,453	1.84
50,895	Restaurant Brands International	2,331	1.75
53,872	Service Corporation International	2,015	1.51
55,456	TJX	2,598	1.94
Consumer Staples (7.94%)		12,741	9.55
82,475	Alimentation Couche-Tard 'B'	1,960	1.47
64,738	Coca-Cola HBC	2,717	2.04
14,412	Constellation	1,945	1.46
71,006	Mondelez	2,936	2.20
49,745	Philip Morris	3,183	2.38
Energy (6.09%)		6,674	5.00
43,266	Chevron	3,162	2.37
78,020	Enbridge	2,273	1.70
25,049	EOG Resources	1,239	0.93
Financials (10.55%)		10,322	7.73
70,706	Bank of America	1,577	1.18
58,909	Citigroup	2,927	2.19
15,262	Goldman Sachs	2,401	1.80
62,295	Schwab (Charles)	1,987	1.49
22,107	TMX	1,430	1.07
Health Care (18.94%)		22,506	16.86
54,756	Abbvie	3,668	2.75
37,424	Baxter International	2,442	1.83
68,998	Bristol-Myers Squibb	3,193	2.39
24,376	Eli Lilly	2,407	1.80
24,992	Johnson & Johnson	2,631	1.97
35,090	Medtronic	2,765	2.07
24,596	Merck & Co	1,474	1.11
19,648	United Health	3,926	2.94

Holding	Investment	Market value £'000	Percentage of total net assets
Industrials (7.27%)		12,660	9.48
13,121	Deere & Co	1,607	1.20
20,549	Honeywell International	2,595	1.94
16,867	Kansas City Southern	1,989	1.49
9,889	Lockheed Martin	2,864	2.15
12,492	Raytheon	1,839	1.38
20,339	Waste Management	1,766	1.32
Information Technology (21.89%)		33,126	24.82
16,474	Accenture	2,325	1.74
27,696	Apple	5,953	4.46
12,289	Broadcom	2,627	1.97
48,329	Cisco Systems	1,511	1.13
20,025	Fidelity National Information Services	2,190	1.64
41,394	FLIR	1,381	1.03
113,358	Marvell Technology	1,890	1.42
20,374	Mastercard	4,630	3.47
83,669	Microsoft	10,619	7.96
Materials (2.42%)		2,244	1.68
13,051	Air Products & Chemicals	2,244	1.68
Real Estate (4.51%)		6,237	4.67
10,584	American Tower REIT	1,881	1.41
6,126	Equinix	2,749	2.06
13,434	Sun Communities REIT	1,607	1.20
Utilities (4.24%)		5,369	4.02
55,004	CMS Energy	2,602	1.95
14,001	NextEra Energy	2,767	2.07
Collective Investment Schemes (2.64%)		2,836	2.13
2,836	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	2,836	2.13
Total investment assets		133,818	100.25
Net other liabilities		(329)	(0.25)
Total Net Assets		133,489	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	2	5,357	4,032
Revenue	4	2,123	1,214
Expenses	5	(698)	(362)
Interest payable and similar charges		(3)	-
Net revenue before taxation		1,422	852
Taxation	6	(292)	(168)
Net revenue after taxation		1,130	684
Total return before distributions		6,487	4,716
Distributions	7	(1,147)	(850)
Change in net assets attributable to shareholders from investment activities		5,340	3,866

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	33,423	64,330
Amounts receivable on the issue of shares	126,958	1,416
Amounts payable on the cancellation of shares	(33,301)	(36,419)
	93,657	(35,003)
Dilution adjustment	78	18
Change in net assets attributable to shareholders from investment activities (see above)	5,340	3,866
Retained distribution on accumulation shares	991	212
Closing net assets attributable to shareholders	133,489	33,423

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		133,818	33,488
Current assets:			
Debtors	8	397	77
Cash and bank balances		40	8
		437	85
Total assets		134,255	33,573
Liabilities:			
Creditors	9	(709)	(27)
Distribution payable		(57)	(123)
		(766)	(150)
Total liabilities		(766)	(150)
Net assets attributable to shareholders		133,489	33,423

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	5,542	4,014
Forward currency contracts	(140)	-
Other (losses)/gains	(38)	27
Transaction charges	(7)	(9)
Net capital gains	5,357	4,032

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	132,512	16,875	39,721	51,413
Collective investment schemes	25,233	21,556	23,280	21,451
Corporate actions	-	-	-	486
Trades in the year before transaction costs	157,745	38,431	63,001	73,350
Commissions				
Equities	30	8	(19)	(17)
Total commissions	30	8	(19)	(17)
Taxes				
Equities	-	-	(1)	(1)
Total taxes	-	-	(1)	(1)
Total transaction costs	30	8	(20)	(18)
Total net trades in the year after transaction costs	157,775	38,439	62,981	73,332

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.02	0.05	0.05	0.03

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.05

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.04% (2019: 0.02%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	2,107	1,206
Taxable distributions on offshore funds	16	3
Bank interest	–	5
Total revenue	2,123	1,214

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	611	309
Registration fees	64	33
	675	342
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	8	9
Safe custody fee	4	2
	12	11
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	698	362

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	292	168
Total current tax	292	168
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the greater than (2019: less than) the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	1,422	852
Corporation tax at 20% (2019: 20%)	284	170
Effects of:		
Revenue not subject to taxation	(408)	(233)
Overseas taxes	293	168
Overseas tax expensed	(2)	(1)
Excess allowable expenses	125	64
Total tax charge for year (note 6a)	292	168

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £335,000 (2019: £210,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	158	259
Second interim distribution	296	242
Third interim distribution	414	166
Final distribution	359	138
	1,227	805
Add: Income deducted on cancellation of shares	60	48
Deduct: Income received on issue of shares	(140)	(3)
Net distribution for the year	1,147	850
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	1,130	684
Annual ACD charge to capital	16	150
Registration fees taken from the capital account	1	16
Total distributions	1,147	850

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	157	15
Accrued revenue	240	62
Total debtors	397	77

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	608	2
Accrued expenses payable to ACD	89	14
Accrued expenses payable to the Depositary or associates of the Depositary	2	2
Other accrued expenses	10	9
Total creditors	709	27

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Closing shares 2020
Retail accumulation	69,952	10,262,502	(9,310,648)	1,021,806
Institutional accumulation	8,711,396	156,607,922	(10,891,024)	154,428,294
Retail income	7,086	28,723	(8,489)	27,320
Institutional income	24,257,979	46,935	(24,265,093)	39,821
Standard Life income	22,213,109	–	(1,292,945)	20,920,164
Standard Life accumulation	77,457	13,667	(23,483)	67,641
Platform 1 accumulation	292,192	368,503	(255,623)	405,072
Platform 1 income	51,996	87,724	(50,959)	88,761
Institutional S accumulation	200	1,232	–	1,432
Institutional S income	200	1,304	–	1,504

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	130,982	–	–	32,604	–	–
Collective Investment Schemes	–	2,836	–	–	884	–
Total investment assets	130,982	2,836	–	32,604	884	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £6,691,000 (2019: £1,674,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £6,563,000 (2019: £1,633,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Canadian Dollar	5,671	690
US Dollar	125,587	31,977

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	2,837	(606)	2,231
Canadian Dollar	–	5,671	5,671
US Dollar	39	125,548	125,587
2019			
Currency			
UK Sterling	892	(136)	756
Canadian Dollar	–	690	690
US Dollar	–	31,977	31,977

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional S Accumulation' was 71.32p. The Net Asset Value of share class 'Institutional S Accumulation' as at 12 noon on 17 June 2020 was 76.48p. This represents an increase of 7.24% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution Tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1416	-	0.1416*	0.1214
Group 2	0.0679	0.0737	0.1416*	0.1214
Institutional accumulation				
Group 1	0.2310	-	0.2310*	0.1988
Group 2	0.1152	0.1158	0.2310*	-
Retail income				
Group 1	0.3532	-	0.3532**	0.3174
Group 2	0.3482	0.0050	0.3532**	0.3174
Institutional income				
Group 1	0.3764	-	0.3764**	0.3205
Group 2	0.3388	0.0376	0.3764**	0.3205
Standard Life income				
Group 1	0.2779	-	0.2779**	0.2489
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.3698	-	0.3698*	0.3224
Group 2	0.1544	0.2154	0.3698*	0.3224
Platform 1 accumulation				
Group 1	0.2182	-	0.2182*	0.1904
Group 2	0.1214	0.0968	0.2182*	0.1904
Platform 1 income				
Group 1	0.3566	-	0.3566**	0.3213
Group 2	0.1724	0.1842	0.3566**	0.3213
Institutional S accumulation				
Group 1	0.2900	-	0.2900*	0.2140
Group 2	-	-	-	-
Institutional S income				
Group 1	0.3350	-	0.3350**	0.2977
Group 2	-	-	-	-

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1263	-	0.1263*	0.1230
Group 2	0.0542	0.0721	0.1263*	-
Institutional accumulation				
Group 1	0.2316	-	0.2316*	0.1992
Group 2	0.2146	0.0170	0.2316*	0.1992
Retail income				
Group 1	0.3551	-	0.3551**	0.3327
Group 2	0.0642	0.2909	0.3551**	-
Institutional income				
Group 1	0.3486	-	0.3486**	0.3320
Group 2	0.2132	0.1354	0.3486**	0.3320
Standard Life income				
Group 1	0.2826	-	0.2826**	0.2624
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.3722	-	0.3722*	0.3367
Group 2	0.1984	0.1738	0.3722*	0.3367
Platform 1 accumulation				
Group 1	0.2083	-	0.2083*	0.1915
Group 2	0.1005	0.1078	0.2083*	0.1915
Platform 1 income				
Group 1	0.3583	-	0.3583**	0.2985
Group 2	0.1509	0.2074	0.3583**	0.2985
Institutional S accumulation				
Group 1	0.3050	-	0.3050*	0.2268
Group 2	-	-	-	-
Institutional S income				
Group 1	0.3350	-	0.3350**	0.3145
Group 2	-	-	-	-

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1430	-	0.1430*	0.1169
Group 2	0.0987	0.0443	0.1430*	-
Institutional accumulation				
Group 1	0.2268	-	0.2268*	0.1979
Group 2	0.0685	0.1583	0.2268*	0.1979
Retail income				
Group 1	0.3638	-	0.3638**	0.3279
Group 2	0.2429	0.1209	0.3638**	-
Institutional income				
Group 1	0.3653	-	0.3653**	0.3314
Group 2	0.1784	0.1869	0.3653**	0.3314
Standard Life income				
Group 1	0.2893	-	0.2893**	0.2575
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.3807	-	0.3807*	0.3369
Group 2	0.2220	0.1587	0.3807*	0.3369
Platform 1 accumulation				
Group 1	0.2170	-	0.2170*	0.1923
Group 2	0.1483	0.0687	0.2170*	0.1923
Platform 1 income				
Group 1	0.3666	-	0.3666**	0.3386
Group 2	0.3123	0.0543	0.3666**	0.3386
Institutional S accumulation				
Group 1	0.2723	-	0.2723*	0.1750
Group 2	0.1373	0.1350	0.2723*	-
Institutional S income				
Group 1	0.3676	-	0.3676**	0.2150
Group 2	0.2026	0.1650	0.3676**	-

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.0505	-	0.0505*	0.0908
Group 2	0.0505	-	0.0505*	-
Institutional accumulation				
Group 1	0.1948	-	0.1948*	0.1646
Group 2	0.1150	0.0798	0.1948*	0.1646
Retail income				
Group 1	0.3426	-	0.3426**	0.2974
Group 2	0.2712	0.0714	0.3426**	0.2974
Institutional income				
Group 1	0.3421	-	0.3421**	0.2941
Group 2	0.2201	0.1220	0.3421**	0.2941
Standard Life income				
Group 1	0.2706	-	0.2706**	0.2302
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.3605	-	0.3605*	0.3000
Group 2	0.1915	0.1690	0.3605*	0.3000
Platform 1 accumulation				
Group 1	0.1857	-	0.1857*	0.1590
Group 2	0.1136	0.0721	0.1857*	0.1590
Platform 1 income				
Group 1	0.3438	-	0.3438**	0.2956
Group 2	0.1408	0.2030	0.3438**	0.2956
Institutional S accumulation				
Group 1	0.2094	-	0.2094*	0.0150
Group 2	-	-	-	-
Institutional S income				
Group 1	0.3164	-	0.3164**	0.4000
Group 2	-	-	-	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI American Unconstrained Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in US equities (company shares).

Performance Target: To achieve the return of the S&P 500 Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance comparator: IA North America Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the US or companies that derive a significant proportion of their revenues or profits from US operations or have a significant proportion of their assets there.
- The Fund may also invest in companies listed, incorporated, or domiciled in Canada or Latin America.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the S&P 500 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the S&P 500 Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").

- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 10.7%. This compared to a return of 15.4% for our performance target (the S&P 500 Index +3%).

In terms of the Fund's main outperformers, American Tower, the owner of specialist real estate for wireless telecommunications operators, continued to grow both in the US and internationally. Its real estate investment trust (REIT) status also helped. As REITs are interest-rate sensitive, they have been helped by the Federal Reserve's looser monetary policy. Elsewhere, a healthy demand outlook supported data centre specialist Equinix. Our holding in Burlington Stores also boosted performance. The company was helped by healthy sales and by comments from the new CEO that reaffirmed the potential to bring the company's margins closer to those of its peers. Financial technology company Fiserv also outperformed. The completion of the First Data acquisition allowed its management to give a positive update on revenue prospects.

Conversely, discount retailer Dollar Tree had a negative effect on performance. The company's share price was dented after it released lacklustre profit numbers. In particular, cost margins were worse than expected. Elsewhere, medical device manufacturer Boston Scientific declined on market nervousness about the growth prospects for key new products. In the financial sector, Charles Schwab fell on concerns that lower interest rates are driving an unfavourable shift in clients' asset allocation. Restaurant Brands also disappointed, particularly sales at its Tim Hortons brand. Other disappointments included defence group Raytheon, which we sold after its merger with United Technologies. The Fund's performance was also affected by its lack of exposure to Apple, whose shares rose strongly over the period.

Activity

We bought financial technology group Fiserv, as we feel that pressure on mid-sized banks to keep up with advances in technology will drive the firm's growth over the medium term. Fintech business Fidelity National Information Services (FIS) was added, as the synergies from its purchase of Worldpay will help accelerate revenue from its core banking services. Other additions included adding pharmaceutical firm Eli Lilly to the Fund for its earnings growth outlook; defence group Harris Corp, which is attractively priced for the potential cost savings and return improvements that should come from a recent merger; and telecommunications company Cable One, a beneficiary of the expansion of rural broadband. In packaged goods, we continued to invest in Mondelez, whose shares are attractively priced compared to other large consumer staples businesses. Others we topped up included discount retailer Dollar Tree, as we believe its valuation still does not fully reflect the potential from the turnaround at its Family Dollar chain.

In terms of sales, we took profits on cell tower construction firm American Tower, after its shares performed well due to falling interest rates. Turning to defence, we sold Raytheon as we felt that the merger with United Technologies diluted our investment case and conveyed little strategic or financial benefit to shareholders. We removed First Republic Bank, as we felt that its valuation had expanded to a point where any upside looked limited. We exited technology hardware specialist Cisco Systems as our investment thesis was fully priced in, reflecting the company's decision to shift revenue mix towards recurring sources. Among banks, we sold Wells Fargo given the less-favourable interest-rate environment. We also disposed of Boeing on concerns that the return to service of the 737 MAX will take longer than expected. Finally, we sold Adobe amid worries about management turnover and some execution missteps.

Outlook and Strategy

The positive outlook for companies at the start of the year has been overwhelmed by the spread of the coronavirus globally. This will cause a sharp slowdown in economic activity and lead to earnings downgrades for many companies. The equity market sell-off has been fairly indiscriminate. For now, it is hard to see a sustained recovery until there are clear signs that the virus has peaked and been contained. When this happens, we expect a sharp recovery in markets.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative Tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	144.72	140.57	142.42
Return before operating charges*	18.03	6.07	0.05
Operating charges	(2.19)	(1.92)	(1.90)
Return after operating charges*	15.84	4.15	(1.85)
Closing net asset value per share	160.56	144.72	140.57
 * after direct transaction costs of:	 0.14	 0.11	 0.10
Performance			
Return after charges	10.95%	2.95%	(1.30%)
Other information			
Closing net asset value (£'000)	30,638	28,385	30,807
Closing number of shares	19,082,115	19,614,130	21,915,755
Operating charges	1.35%	1.33%	1.32%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	181.5	155.9	149.1
Lowest share price	145.3	129.0	134.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	170.17	164.52	165.91
Return before operating charges*	21.15	7.11	0.05
Operating charges	(1.65)	(1.46)	(1.44)
Return after operating charges*	19.50	5.65	(1.39)
Distributions	(0.82)	(0.72)	(0.59)
Retained distributions on accumulation shares	0.82	0.72	0.59
Closing net asset value per share	189.67	170.17	164.52
 * after direct transaction costs of:	 0.16	 0.13	 0.12
Performance			
Return after charges	11.46%	3.43%	(0.84%)
Other information			
Closing net asset value (£'000)	9,945	36,134	100,804
Closing number of shares	5,243,013	21,234,107	61,270,507
Operating charges	0.88%	0.86%	0.85%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	214.4	182.9	174.4
Lowest share price	170.9	151.5	157.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	71.64	69.59	70.50
Return before operating charges*	8.92	3.00	0.03
Operating charges	(1.08)	(0.95)	(0.94)
Return after operating charges*	7.84	2.05	(0.91)
Closing net asset value per share	79.48	71.64	69.59
 * after direct transaction costs of:	 0.07	 0.05	 0.05
Performance			
Return after charges	10.94%	2.95%	(1.29%)
Other information			
Closing net asset value (£'000)	911	951	1,083
Closing number of shares	1,145,268	1,327,871	1,556,474
Operating charges	1.35%	1.33%	1.32%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	89.86	77.18	73.79
Lowest share price	71.93	63.90	66.56

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	149.76	145.40	147.17
Return before operating charges*	18.78	6.40	0.05
Operating charges	(0.08)	(0.05)	(0.04)
Return after operating charges*	18.70	6.35	0.01
Distributions	(2.38)	(1.99)	(1.78)
Closing net asset value per share	166.08	149.76	145.40
 * after direct transaction costs of:	 0.14	 0.12	 0.11
Performance			
Return after charges	12.49%	4.37%	0.01%
Other information			
Closing net asset value (£'000)	— [^]	— [^]	3
Closing number of shares	63	63	2,000
Operating charges	0.05%	0.03%	0.02%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	190.4	162.3	155.8
Lowest share price	150.4	134.9	140.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £104 (2019: £94).

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	151.26	145.15	145.29
Return before operating charges*	18.83	6.28	0.01
Operating charges	(0.22)	(0.17)	(0.15)
Return after operating charges*	18.61	6.11	(0.14)
Distributions	(2.01)	(1.76)	(1.62)
Retained distributions on accumulation shares	2.01	1.76	1.62
Closing net asset value per share	169.87	151.26	145.15
 * after direct transaction costs of:	 0.15	 0.12	 0.11
Performance			
Return after charges	12.30%	4.21%	(0.10%)
Other information			
Closing net asset value (£'000)	1,209	1,210	2,000
Closing number of shares	711,851	799,650	1,378,064
Operating charges	0.13%	0.11%	0.10%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	192.0	162.0	153.7
Lowest share price	151.9	134.5	138.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	125.71	121.59	122.68
Return before operating charges*	15.66	5.26	0.03
Operating charges	(1.31)	(1.14)	(1.12)
Return after operating charges*	14.35	4.12	(1.09)
Distributions	(0.53)	(0.47)	(0.37)
Retained distributions on accumulation shares	0.53	0.47	0.37
Closing net asset value per share	140.06	125.71	121.59
 * after direct transaction costs of:	 0.12	 0.10	 0.09
Performance			
Return after charges	11.42%	3.39%	(0.89%)
Other information			
Closing net asset value (£'000)	21,316	27,758	43,610
Closing number of shares	15,219,096	22,080,869	35,865,920
Operating charges	0.93%	0.91%	0.90%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	158.3	135.1	128.9
Lowest share price	126.2	112.0	116.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	68.19	65.80	66.29
Return before operating charges*	8.60	2.88	0.03
Operating charges	(0.63)	(0.49)	(0.52)
Return after operating charges*	7.97	2.39	(0.49)
Distributions	(0.48)	(0.42)	(0.29)
Retained distributions on accumulation shares	0.48	0.42	0.29
Closing net asset value per share	76.16	68.19	65.80
 * after direct transaction costs of:	 0.07	 0.05	 0.05
Performance			
Return after charges	11.69%	3.63%	(0.74%)
Other information			
Closing net asset value (£'000)	1	1	2
Closing number of shares	1,340	965	2,965
Operating charges	0.81%	0.72%	0.78%
Direct transaction costs	0.09%	0.08%	0.07%
Prices			
Highest share price	86.09	73.19	69.72
Lowest share price	68.48	60.70	62.91

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
North American Equities (99.87%)		63,350	98.95
Communication Services (8.04%)		7,359	11.49
3,929	Alphabet 'C'	4,125	6.44
588	Cable One	722	1.13
4,817	Netflix	1,394	2.17
15,838	T-Mobile	1,118	1.75
Consumer Discretionary (9.37%)		7,733	12.08
2,084	Amazon.com	3,080	4.81
20,579	Dollar Tree	1,339	2.09
45,880	Restaurant Brands International	2,101	3.28
25,886	TJX	1,213	1.90
Consumer Staples (3.39%)		5,650	8.83
77,966	Alimentation Couche-Tard 'B'	1,853	2.90
13,612	Constellation	1,837	2.87
47,404	Mondelez	1,960	3.06
Energy (4.77%)		2,026	3.16
17,099	Chevron	1,250	1.95
15,686	EOG Resources	776	1.21
Financials (13.49%)		4,548	7.11
32,925	Citigroup	1,636	2.56
7,306	Goldman Sachs	1,149	1.80
55,266	Schwab (Charles)	1,763	2.75
Health Care (13.48%)		10,616	16.58
19,432	Abbvie	1,302	2.03
32,939	Baxter International	2,150	3.36
74,065	Boston Scientific	2,167	3.39
32,800	Bristol-Myers Squibb	1,518	2.37
11,309	Eli Lilly	1,117	1.74
11,825	United Health	2,362	3.69
Industrials (11.42%)		5,640	8.81
51,090	Allison Transmission	1,624	2.54
8,190	Honeywell International	1,034	1.61
10,240	Ingersoll-Rand	1,035	1.62
10,030	Kansas City Southern	1,182	1.85
4,945	L3Harris Technologies	765	1.19

Holding	Investment	Market value £'000	Percentage of total net assets
Information Technology (17.32%)		15,229	23.79
5,149	Broadcom	1,101	1.72
16,489	Fidelity National Information Services	1,803	2.82
23,205	Fiserv	1,987	3.10
117,900	Marvell Technology	1,966	3.07
12,143	Mastercard	2,759	4.31
31,943	Microsoft	4,054	6.33
12,158	Nice ADR	1,559	2.44
Materials (6.62%)		854	1.33
4,969	Air Products & Chemicals	854	1.33
Real Estate (8.15%)		1,871	2.92
4,171	Equinix	1,871	2.92
Utilities (3.82%)		1,824	2.85
17,508	CMS Energy	828	1.29
5,039	NextEra Energy	996	1.56
Collective Investment Schemes (1.68%)		1,026	1.61
1,311	Aberdeen Standard Liquidity Fund (Lux) - US Dollar Fund+	1,026	1.61
Total investment assets		64,376	100.56
Net other liabilities		(356)	(0.56)
Total Net Assets		64,020	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	2	10,342	4,013
Revenue	4	1,213	2,064
Expenses	5	(852)	(1,356)
Net revenue before taxation		361	708
Taxation	6	(169)	(288)
Net revenue after taxation		192	420
Total return before distributions		10,534	4,433
Distributions	7	(206)	(436)
Change in net assets attributable to shareholders from investment activities		10,328	3,997

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	94,439	178,309
Amounts receivable on the issue of shares	38,099	8,301
Amounts payable on the cancellation of shares	(78,998)	(96,525)
	(40,899)	(88,224)
Dilution adjustment	14	88
Change in net assets attributable to shareholders from investment activities (see above)	10,328	3,997
Retained distribution on accumulation shares	138	269
Closing net assets attributable to shareholders	64,020	94,439

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		64,376	95,906
Current assets:			
Debtors	8	692	154
Cash and bank balances		38	108
		730	262
Total assets		65,106	96,168
Liabilities:			
Creditors	9	(1,086)	(1,729)
		(1,086)	(1,729)
Total liabilities		(1,086)	(1,729)
Net assets attributable to shareholders		64,020	94,439

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	10,353	3,999
Other gains	3	26
Transaction charges	(14)	(12)
Net capital gains	10,342	4,013

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	66,745	93,989	108,123	180,562
Collective investment schemes	66,003	83,213	66,588	83,043
Trades in the year before transaction costs	132,748	177,202	174,711	263,605
Commissions				
Equities	27	40	(40)	(66)
Total commissions	27	40	(40)	(66)
Taxes				
Equities	-	-	(2)	(3)
Total taxes	-	-	(2)	(3)
Total transaction costs	27	40	(42)	(69)
Total net trades in the year after transaction costs	132,775	177,242	174,669	263,536

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.04	0.04	0.04	0.04

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.09	0.08

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.04% (2019: 0.03%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	1,196	2,050
Taxable distributions on offshore funds	17	5
Bank interest	–	9
Total revenue	1,213	2,064

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	778	1,215
Dealing charge	12	18
Registration fees	38	88
	828	1,321
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	11	19
Safe custody fee	3	6
	14	25
Other:		
Professional fees	2	–
Audit fee	8	10
	10	10
Total expenses	852	1,356

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	169	288
Total current tax	169	288
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	361	708
Corporation tax at 20% (2019: 20%)	72	142
Effects of:		
Revenue not subject to taxation	(215)	(368)
Overseas taxes	170	288
Overseas tax expensed	(4)	(6)
Excess allowable expenses	146	232
Total tax charge for year (note 6a)	169	288

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,876,000 (2019: £1,730,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	138	269
Add: Income deducted on cancellation of shares	99	185
Deduct: Income received on issue of shares	(31)	(18)
Net distribution for the year	206	436
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	192	420
Shortfall transfer from capital to revenue	14	16
Total distributions	206	436

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	28	3
Sales awaiting settlement	597	–
Accrued revenue	67	151
Total debtors	692	154

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	661	1,640
Purchases awaiting settlement	352	–
Accrued expenses payable to ACD	60	73
Accrued expenses payable to the Depositary or associates of the Depositary	1	5
Other accrued expenses	12	11
Total creditors	1,086	1,729

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	19,614,130	16,963,804	(17,352,737)	(143,082)	19,082,115
Institutional accumulation	21,234,107	1,989,232	(17,980,326)	–	5,243,013
Retail income	1,327,871	48,338	(230,941)	–	1,145,268
Standard Life income	63	–	–	–	63
Standard Life accumulation	799,650	44,900	(132,699)	–	711,851
Platform 1 accumulation	22,080,869	4,506,204	(11,532,871)	164,894	15,219,096
Institutional S accumulation	965	1,140	–	(765)	1,340

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	63,350	–	–	94,317	–	–
Collective Investment Schemes	–	1,026	–	–	1,589	–
Total investment assets	63,350	1,026	–	94,317	1,589	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £3,219,000 (2019: £4,795,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £3,236,000 (2019: £4,726,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate effect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Canadian Dollar	1,853	996
Euro	4	4
US Dollar	62,873	93,526

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/ (liabilities) £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	(5)	(705)	(710)
Canadian Dollar	–	1,853	1,853
Euro	4	–	4
US Dollar	1,065	61,808	62,873
2019			
Currency			
UK Sterling	1,640	(1,727)	(87)
Canadian Dollar	–	996	996
Euro	4	–	4
US Dollar	54	93,472	93,526

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional S Accumulation' was 76.16p. The Net Asset Value of share class 'Institutional S Accumulation' as at 12 noon on 17 June 2020 was 83.26p. This represents an increase of 9.32% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution Tables

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Institutional accumulation				
Group 1	0.8161	-	0.8161*	0.7160
Group 2	0.2805	0.5356	0.8161*	0.7160
Retail income				
Group 1	-	-	-	-
Group 2	-	-	-	-
Standard Life income				
Group 1	2.3780	-	2.3780**	1.9949
Group 2	2.3780	-	2.3780**	1.9949
Standard Life accumulation				
Group 1	2.0129	-	2.0129*	1.7580
Group 2	1.0398	0.9731	2.0129*	1.7580
Platform 1 accumulation				
Group 1	0.5313	-	0.5313*	0.4662
Group 2	0.3181	0.2132	0.5313*	0.4662
Institutional S accumulation				
Group 1	0.4835	-	0.4835*	0.4156
Group 2	0.1456	0.3379	0.4835*	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Emerging Market Government Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in US dollar denominated emerging market government bonds.

Performance Target: To achieve the return of the JP Morgan EMBI Global Diversified Index, plus 1.5% (in Sterling terms) per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in US dollar denominated government and sub-sovereign bonds issued or guaranteed by Asian, Eastern European, Middle Eastern, African, or Latin American governments.
- The Fund may also hold bonds issued by other governments or sub-sovereigns anywhere in the world.
- Where the Fund gains exposure to other currencies than US Dollars, the Fund will employ techniques to reduce (hedge) risk related to currency movements on non US dollars bonds.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify the investments they believe are most appropriate for the Fund's objective.
- They analyse securities and derivatives, in addition to global economic and market conditions (for example, interest rates and inflation) and seek to identify misalignments between their assessment of growth prospects and creditworthiness of investments relative to that of the market.
- In seeking to achieve the Performance Target, the JP Morgan EMBI Global Diversified Index (in Sterling terms) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index, is not normally expected to exceed 4.5%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the JP Morgan EMBI Global Diversified Index (in Sterling terms).

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance

Over the period under review from 1 March 2019 to 27 February 2020, the Fund returned +10.36%. This compared to a return of +13.58% for our performance target (the JP Morgan EMBI Global Diversified Index +1.5%).

Although spreads narrowed modestly, the biggest driver of strong hard currency emerging market debt total returns over the period was the sizeable 100+ basis points rally in the US 10-year treasury yield. In turn, this reflected a weak US growth backdrop exacerbated by the continuing US/China trade war, notwithstanding some easing of these tensions near the end of the period.

In terms of individual countries, the biggest contributors to Fund performance were the Fund's underweight in Lebanon, its overweight in Saudi Arabia and its overweight in El Salvador. On the negative side, the biggest detractors to Fund performance were zero exposure to Russia, an underweight in Turkey and zero exposure to the Philippines.

Investment activity

The Fund was closed on 27 January 2020. Activity ahead of this was largely associated with the closing of positions.

Comparative tables

Retail accumulation ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	71.22	67.96	71.54
Return before operating charges*	8.84	4.13	(2.70)
Operating charges	(0.97)	(0.87)	(0.88)
Return after operating charges*	7.87	3.26	(3.58)
Distributions	(2.88)	(2.83)	(2.37)
Retained distributions on accumulation shares	2.88	2.83	2.37
Redemption value as at 27 January 2020	(79.09)	–	–
Closing net asset value per share	–	71.22	67.96
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.05%	4.80%	(5.00%)
Other information			
Closing net asset value (£'000)	–	2,922	1,901
Closing number of shares	–	4,101,984	2,796,510
Operating charges	1.25%	1.25%	1.24%
Direct transaction costs	–	–	–
Prices			
Highest share price	83.76	73.44	73.18
Lowest share price	71.57	65.63	66.24

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Retail accumulation share class closed on 27 January 2020.

Institutional accumulation ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	73.71	70.00	73.36
Return before operating charges*	9.13	4.26	(2.80)
Operating charges	(0.63)	(0.55)	(0.56)
Return after operating charges*	8.50	3.71	(3.36)
Distributions	(3.33)	(3.25)	(2.77)
Retained distributions on accumulation shares	3.33	3.25	2.77
Redemption value as at 27 January 2020	(82.21)	–	–
Closing net asset value per share	–	73.71	70.00
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.53%	5.30%	(4.58%)
Other information			
Closing net asset value (£'000)	–	1,401	7,300
Closing number of shares	–	1,900,736	10,428,518
Operating charges	0.78%	0.78%	0.77%
Direct transaction costs	–	–	–
Prices			
Highest share price	86.90	76.00	75.06
Lowest share price	74.09	67.64	68.22

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional accumulation share class closed on 27 January 2020

Retail income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	55.54	55.18	60.10
Return before operating charges*	10.29	3.35	(2.87)
Operating charges	(0.74)	(0.69)	(0.73)
Return after operating charges*	9.55	2.66	(3.60)
Distributions	–	(2.30)	(1.32)
Redemption value as at 9 August 2019	(65.09)	–	–
Closing net asset value per share	–	55.54	55.18
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	17.19%	4.82%	(5.99%)
Other information			
Closing net asset value (£'000)	–	2	3
Closing number of shares	–	3,386	5,386
Operating charges	1.25%	1.25%	1.24%
Direct transaction costs	–	–	–
Prices			
Highest share price	65.09	58.48	61.47
Lowest share price	55.82	53.30	54.70

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Retail income share class closed on 9 August 2019

Institutional income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	58.35	57.98	63.17
Return before operating charges*	7.30	3.50	(2.33)
Operating charges	(0.50)	(0.46)	(0.48)
Return after operating charges*	6.80	3.04	(2.81)
Distributions	(2.61)	(2.67)	(2.38)
Redemption value as at 27 January 2020	(62.54)	-	-
Closing net asset value per share	-	58.35	57.98
 * after direct transaction costs of:	 -	 -	 -
Performance			
Return after charges	11.65%	5.24%	(4.45%)
Other information			
Closing net asset value (£'000)	-	3,579	1,912
Closing number of shares	-	6,132,586	3,297,876
Operating charges	0.78%	0.78%	0.77%
Direct transaction costs	-	-	-
Prices			
Highest share price	68.54	61.56	64.60
Lowest share price	58.65	56.02	57.61

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional income share class closed on 27 January 2020

Standard Life income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	58.19	57.76	63.21
Return before operating charges*	7.26	3.47	(2.32)
Operating charges	(0.03)	(0.03)	(0.02)
Return after operating charges*	7.23	3.44	(2.34)
Distributions	(3.06)	(3.01)	(3.11)
Redemption value as at 27 January 2020	(62.36)	–	–
Closing net asset value per share	–	58.19	57.76
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.42%	5.96%	(3.70%)
Other information			
Closing net asset value (£'000)	–	– [^]	1
Closing number of shares	–	174	2,000
Operating charges	0.05%	0.04%	0.04%
Direct transaction costs	–	–	–
Prices			
Highest share price	68.48	61.51	64.85
Lowest share price	58.49	55.84	57.66

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life income share class closed on 27 January 2020

[^] The closing net asset value of Standard Life income is £101.

Standard Life accumulation ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	76.31	71.99	74.95
Return before operating charges*	9.43	4.41	(2.87)
Operating charges	(0.11)	(0.09)	(0.09)
Return after operating charges*	9.32	4.32	(2.96)
Distributions	(3.92)	(3.84)	(3.33)
Retained distributions on accumulation shares	3.92	3.84	3.33
Redemption value as at 27 January 2020	(85.63)	–	–
Closing net asset value per share	–	76.31	71.99
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.21%	6.00%	(3.95%)
Other information			
Closing net asset value (£'000)	–	92,144	94,518
Closing number of shares	–	120,756,496	131,284,934
Operating charges	0.13%	0.12%	0.12%
Direct transaction costs	–	–	–
Prices			
Highest share price	90.25	78.65	76.95
Lowest share price	76.71	69.59	70.15

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life accumulation share class closed on 27 January 2020

Platform 1 accumulation ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	73.50	69.84	73.22
Return before operating charges*	9.10	4.25	(2.79)
Operating charges	(0.67)	(0.59)	(0.59)
Return after operating charges*	8.43	3.66	(3.38)
Distributions	(3.28)	(3.21)	(2.73)
Retained distributions on accumulation shares	3.28	3.21	2.73
Redemption value as at 27 January 2020	(81.93)	–	–
Closing net asset value per share	–	73.50	69.84
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.47%	5.24%	(4.62%)
Other information			
Closing net asset value (£'000)	–	4,149	6,345
Closing number of shares	–	5,645,209	9,085,190
Operating charges	0.83%	0.82%	0.82%
Direct transaction costs	–	–	–
Prices			
Highest share price	86.63	75.78	74.90
Lowest share price	73.88	67.47	68.06

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Platform 1 accumulation share class closed on 27 January 2020

Platform 1 income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	58.41	58.04	63.21
Return before operating charges*	7.28	3.49	(2.32)
Operating charges	(0.52)	(0.48)	(0.51)
Return after operating charges*	6.76	3.01	(2.83)
Distributions	(2.58)	(2.64)	(2.34)
Redemption value as at 27 January 2020	(62.59)	–	–
Closing net asset value per share	–	58.41	58.04
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.57%	5.19%	(4.48%)
Other information			
Closing net asset value (£'000)	–	3,933	4,388
Closing number of shares	–	6,733,185	7,559,876
Operating charges	0.83%	0.82%	0.82%
Direct transaction costs	–	–	–
Prices			
Highest share price	68.59	61.61	64.66
Lowest share price	58.71	56.08	57.66

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Platform 1 income share class closed on 27 January 2020

Institutional S accumulation ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	72.75	68.91	72.11
Return before operating charges*	9.15	4.23	(2.75)
Operating charges	(0.48)	(0.39)	(0.45)
Return after operating charges*	8.67	3.84	(3.20)
Distributions	(3.56)	(3.34)	(2.83)
Retained distributions on accumulation shares	3.56	3.34	2.83
Redemption value as at 27 January 2020	(81.42)	–	–
Closing net asset value per share	–	72.75	68.91
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.92%	5.58%	(4.44%)
Other information			
Closing net asset value (£'000)	–	– [^]	2
Closing number of shares	–	200	2,200
Operating charges	0.60%	0.59%	0.65%
Direct transaction costs	–	–	–
Prices			
Highest share price	85.95	74.96	73.84
Lowest share price	73.13	66.59	67.17

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional S accumulation share class closed on 27 January 2020

[^] The closing net asset value of Institutional S accumulation is £145.

Institutional S income ^A	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	58.45	58.06	63.24
Return before operating charges*	7.42	3.61	(2.32)
Operating charges	(0.38)	(0.34)	(0.42)
Return after operating charges*	7.04	3.27	(2.74)
Distributions	(2.87)	(2.88)	(2.44)
Redemption value as at 27 January 2020	(62.62)	–	–
Closing net asset value per share	–	58.45	58.06
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.04%	5.63%	(4.33%)
Other information			
Closing net asset value (£'000)	–	– [^]	1
Closing number of shares	–	200	2,200
Operating charges	0.60%	0.59%	0.65%
Direct transaction costs	–	–	–
Prices			
Highest share price	68.74	61.83	64.69
Lowest share price	58.75	56.11	57.73

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional S income share class closed on 27 January 2020

[^] The closing net asset value of Institutional S income is £117.

Portfolio Statement

As at 29 February 2020

		Market value	Percentage of
		£'000	total net
Holding	Investment		assets

The Fund has not held any investments since 27 January 2020.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	2	13,125	398
Revenue	4	3,483	5,568
Expenses	5	(188)	(231)
Interest payable and similar charges		(2)	(1)
Net revenue before taxation		3,293	5,336
Taxation	6	-	-
Net revenue after taxation		3,293	5,336
Total return before equalisation		16,418	5,734
Equalisation on shares	7	(3,294)	(5,336)
Change in net assets attributable to shareholders from investment activities		13,124	398

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	108,130	116,371
Amounts receivable on the issue of shares	11,952	7,948
Amounts payable on the cancellation of shares	(133,714)	(21,605)
	(121,762)	(13,657)
Dilution adjustment	32	28
Change in net assets attributable to shareholders from investment activities (see above)	13,124	398
Retained distribution on accumulation shares	476	4,990
Closing net assets attributable to shareholders	-	108,130

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		–	101,483
Current assets:			
Debtors	8	–	1,580
Cash and bank balances		8	5,874
		8	7,454
Total assets		8	108,937
Liabilities:			
Creditors	9	(8)	(617)
Bank overdrafts		–	(16)
Distribution payable		–	(174)
		(8)	(807)
Total liabilities		(8)	(807)
Net assets attributable to shareholders		–	108,130

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	12,821	55
Forward currency contracts	147	207
Other gains	168	147
Transaction charges	(11)	(11)
Net capital gains	13,125	398

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	37,474	54,228	52,833	59,087
Collective investment schemes	–	110	–	110
In-specie	–	–	98,729	–
Trades in the year before transaction costs	37,474	54,338	151,562	59,197
Total net trades in the year after transaction costs	37,474	54,338	151,562	59,197

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.00% (2019: 0.45%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Interest on debt securities	3,412	5,477
Bank interest	71	91
Total revenue	3,483	5,568

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	114	110
Dealing charge	3	4
Registration fees	49	82
	166	196
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	12	19
Safe custody fee	1	4
	13	23
Other:		
Professional fees	3	–
Audit fee	6	12
	9	12
Total expenses	188	231

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	3,293	5,336
Corporation tax at 20% (2019: 20%)	659	1,067
Effects of:		
Distributions treated as tax deductible	(659)	(1,067)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	598	2,536
Final distribution	79	2,749
	677	5,285
Add: Income deducted on cancellation of shares	2,724	157
Deduct: Income received on issue of shares	(107)	(106)
Net distribution for the year	3,294	5,336
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	3,293	5,336
Undistributed revenue carried forward	1	–
Total distributions	3,294	5,336

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	–	74
Accrued revenue	–	1,506
Total debtors	–	1,580

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	–	35
Purchases awaiting settlement	–	545
Accrued expenses payable to ACD	–	16
Accrued expenses payable to the Depositary or associates of the Depositary	–	5
Other accrued expenses	8	15
Capital gains tax payable	–	1
Total creditors	8	617

10 Related Party Transactions

Aberdeen Standard Fund Manager's Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Manager's Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Manager's Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	4,101,984	1,338,878	(5,440,862)	–	–
Institutional accumulation	1,900,736	757,303	(2,633,547)	(24,492)	–
Retail income	3,386	2,000	(5,386)	–	–
Institutional income	6,132,586	10,920,682	(17,053,268)	–	–
Standard Life income	174	1,380	(1,554)	–	–
Standard Life accumulation	120,756,496	40,702	(120,797,198)	–	–
Platform 1 accumulation	5,645,209	3,442,138	(9,111,912)	24,565	–
Platform 1 income	6,733,185	1,114,257	(7,847,442)	–	–
Institutional S accumulation	200	1,078	(1,278)	–	–
Institutional S income	200	1,375	(1,575)	–	–

12 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	–	–	–	–	101,471	–
Derivatives	–	–	–	–	12	–
Total investment assets	–	–	–	–	101,483	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

In the current market conditions certain securities have become difficult to price. For these securities, reliance has therefore been placed on single broker prices. This has not resulted in any adjustment to the financial statements.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	5.85%	6.40%	6.02%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	6.06%	6.93%	6.46%

At the year end date, the fund was closed, in the prior year there was a 1% chance of the portfolio value falling (or rising) more than 6.06%, £6,150,000 in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Euro	–	(241)
Indian Rupee	–	25
Indonesian Rupiah	–	(1)
US Dollar	–	108,534

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

Bond yields are affected by market and economic conditions, including inflation rates and government policy. An analysis of the interest rates and maturity of bond listings is detailed below.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/(liabilities) £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	8	–	(8)	–
2019				
Currency				
UK Sterling	(16)	–	(171)	(187)
Euro	–	2,497	(2,738)	(241)
Indian Rupee	–	–	25	25
Indonesian Rupiah	–	–	(1)	(1)
US Dollar	7,341	97,507	3,686	108,534

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	–	38,011
Below Investment Grade Bonds	–	60,362
Unrated Bonds	–	3,098
Total Value of Bonds	–	101,471

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

Distribution tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.6504	-	1.6504*	1.3637
Group 2	0.6138	1.0366	1.6504*	1.3637
Institutional accumulation				
Group 1	1.8979	-	1.8979*	1.5724
Group 2	1.0941	0.8038	1.8979*	1.5724
Retail income				
Group 1	-	-	-	1.1134
Group 2	-	-	-	1.1134
Institutional income				
Group 1	1.5024	-	1.5024**	1.3045
Group 2	0.7938	0.7086	1.5024**	1.3045
Standard Life income				
Group 1	1.7373	-	1.7373**	1.5105
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	2.2372	-	2.2372*	1.8600
Group 2	1.3068	0.9304	2.2372*	1.8600
Platform 1 accumulation				
Group 1	1.8723	-	1.8723*	1.5510
Group 2	0.9194	0.9529	1.8723*	1.5510
Platform 1 income				
Group 1	1.4880	-	1.4880**	1.2948
Group 2	0.6836	0.8044	1.4880**	1.2948
Institutional S accumulation				
Group 1	2.0450	-	2.0450*	1.6177
Group 2	-	-	-	1.6177
Institutional S income				
Group 1	1.6900	-	1.6900**	1.3454
Group 2	-	-	-	1.3454

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the period 1 September 2019 to 27 January 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 27 January 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	1.2294	-	1.2294	1.4615
Group 2	0.8455	0.3839	1.2294	1.4615
Institutional accumulation				
Group 1	1.4307	-	1.4307	1.6802
Group 2	0.9222	0.5085	1.4307	1.6802
Retail income				
Group 1	-	-	-	1.1816
Group 2	-	-	-	-
Institutional income				
Group 1	1.1075	-	1.1075	1.3610
Group 2	0.7708	0.3367	1.1075	1.3610
Standard Life income				
Group 1	1.3190	-	1.3190	1.4957
Group 2	0.9681	0.3509	1.3190	1.4957
Standard Life accumulation				
Group 1	1.6780	-	1.6780	1.9786
Group 2	0.8231	0.8549	1.6780	1.9786
Platform 1 accumulation				
Group 1	1.4098	-	1.4098	1.6576
Group 2	0.9710	0.4388	1.4098	1.6576
Platform 1 income				
Group 1	1.0957	-	1.0957	1.3476
Group 2	0.5882	0.5075	1.0957	1.3476
Institutional S accumulation				
Group 1	1.5150	-	1.5150	1.7200
Group 2	1.1250	0.3900	1.5150	-
Institutional S income				
Group 1	1.1813	-	1.1813	1.5300
Group 2	0.8763	0.3050	1.1813	-

* Distribution accumulated on 27 January 2020

** Distribution paid on 28 February 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Emerging Markets Income Equity Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in emerging market equities (company shares).

Performance Target: To achieve the return of the MSCI Emerging Markets Index plus 2% per annum (before charges) with a yield greater than that of this index.

The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in emerging market countries, or companies that derive a significant proportion of their revenues or profits from emerging market operations or have a significant proportion of their assets there.
- Emerging markets include Asian, Eastern European, Middle Eastern, African or Latin American countries.
- The Fund may also invest up to 10% in bonds (loans to companies).
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. Given the Fund's income objective, the management team place particular emphasis on understanding business fundamentals and dynamics and the impact this has on cash flow generation and the company's ability to allocate cash effectively.
- The combined average yield on assets in the Fund is expected to be higher than the broad emerging market equity market as represented by the MSCI emerging markets Index.
- In seeking to achieve the Performance Target, the MSCI Emerging Markets Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the income nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI emerging market Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance Review

Over the 12-month period to the end of February, the Fund returned 5.9%. This compared to a return of 4.4% for our performance target (the MSCI Emerging Markets Index +2%). Meanwhile, the Fund's yield was 2.81% over the year, versus a yield target of 2.78% (the MSCI Emerging Markets Index).

Norilsk Nickel benefited from a sharp recovery in palladium prices. It is extremely difficult to expand capacity but we observed a rapid increase in demand for the industrial usage of the metal, notably in vehicle catalytic converters to improve air quality. Taiwan Semiconductor Manufacturing and Samsung Electronics rose over the latter stages of 2019 on the back of an expected recovery in memory chip and smartphone demand. Elsewhere, Anta Sports benefited from a sharp rise in functional sportswear spending in China. The company's strategy of developing its core Anta brand into the premium mass segment is proving successful. Its multi-brand development with new names such as Fila also made a positive contribution. Additional highlights included Sitc International, YDUQS and Globalwafers.

By contrast, Xiabu Catering suffered with lower discretionary spending activity in China. A branding issue compounded the problem. Meanwhile, Tobacco conglomerate ITC retreated on worries about a tax increase on cigarettes. Not holding Gazprom hurt the Fund's relative performance as the Russian oil giant proposed raising its dividend payout ratio to 60%, alongside other shareholder-friendly measures. Positions in AKR and Credicorp also disappointed.

Activity

We purchased shares in India's Tata Consultancy Services. The company offers a differentiated digital services platform model, covering IT services and consultancy. For the latter, it has started to compete less on price and more on capabilities. This should drive future earnings.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 6 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, exchange rate risk/ controls, settlement, tax, quota, liquidity and regulatory risks.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The Fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	78.09	84.43	68.06
Return before operating charges*	6.76	(5.27)	17.46
Operating charges	(1.15)	(1.07)	(1.09)
Return after operating charges*	5.61	(6.34)	16.37
Distributions	(1.95)	(1.85)	(1.10)
Retained distributions on accumulation shares	1.95	1.85	1.10
Closing net asset value per share	83.70	78.09	84.43
 * after direct transaction costs of:	 0.06	 0.05	 0.12
Performance			
Return after charges	7.18%	(7.51%)	24.05%
Other information			
Closing net asset value (£'000)	5,207	3,555	3,243
Closing number of shares	6,220,144	4,552,241	3,841,015
Operating charges	1.35%	1.37%	1.39%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	94.48	85.81	86.32
Lowest share price	78.05	70.70	68.23

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	81.05	87.48	70.15
Return before operating charges*	7.03	(5.70)	18.07
Operating charges	(0.78)	(0.73)	(0.74)
Return after operating charges*	6.25	(6.43)	17.33
Distributions	(2.45)	(2.13)	(1.51)
Retained distributions on accumulation shares	2.45	2.13	1.51
Closing net asset value per share	87.30	81.05	87.48
 * after direct transaction costs of:	 0.06	 0.05	 0.13
Performance			
Return after charges	7.71%	(7.35%)	24.70%
Other information			
Closing net asset value (£'000)	268,717	278,128	264,336
Closing number of shares	307,817,593	343,163,470	302,155,108
Operating charges	0.88%	0.90%	0.92%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	98.43	88.92	89.40
Lowest share price	81.08	73.42	70.41

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.73	72.67	60.07
Return before operating charges*	5.58	(4.70)	15.40
Operating charges	(0.94)	(0.90)	(0.95)
Return after operating charges*	4.64	(5.60)	14.45
Distributions	(2.49)	(2.34)	(1.85)
Closing net asset value per share	66.88	64.73	72.67
 * after direct transaction costs of:	 0.05	 0.04	 0.11
Performance			
Return after charges	7.17%	(7.71%)	24.06%
Other information			
Closing net asset value (£'000)	331	449	85
Closing number of shares	495,268	692,966	117,611
Operating charges	1.35%	1.37%	1.39%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	75.92	73.88	74.62
Lowest share price	64.77	59.49	60.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	67.30	75.20	61.86
Return before operating charges*	5.77	(4.93)	15.88
Operating charges	(0.64)	(0.62)	(0.64)
Return after operating charges*	5.13	(5.55)	15.24
Distributions	(2.58)	(2.35)	(1.90)
Closing net asset value per share	69.85	67.30	75.20
 * after direct transaction costs of:	 0.05	 0.04	 0.11
Performance			
Return after charges	7.62%	(7.38%)	24.64%
Other information			
Closing net asset value (£'000)	15,926	21,425	29,048
Closing number of shares	22,800,995	31,836,444	38,630,011
Operating charges	0.88%	0.90%	0.92%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	79.25	76.45	77.18
Lowest share price	67.34	61.73	62.15

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	70.73	78.38	63.95
Return before operating charges*	6.02	(5.18)	16.47
Operating charges	(0.03)	(0.05)	(0.07)
Return after operating charges*	5.99	(5.23)	16.40
Distributions	(2.69)	(2.42)	(1.97)
Closing net asset value per share	74.03	70.73	78.38
 * after direct transaction costs of:	 0.05	 0.04	 0.12
Performance			
Return after charges	8.47%	(6.67%)	25.65%
Other information			
Closing net asset value (£'000)	6,288	7,433	8,239
Closing number of shares	8,493,356	10,509,712	10,511,712
Operating charges	0.05%	0.07%	0.09%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	83.89	79.71	80.39
Lowest share price	70.78	64.66	64.33

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	84.39	90.48	72.01
Return before operating charges*	7.25	(5.96)	18.61
Operating charges	(0.12)	(0.13)	(0.14)
Return after operating charges*	7.13	(6.09)	18.47
Distributions	(3.19)	(2.77)	(2.11)
Retained distributions on accumulation shares	3.19	2.77	2.11
Closing net asset value per share	91.52	84.39	90.48
 * after direct transaction costs of:	 0.06	 0.05	 0.13
Performance			
Return after charges	8.45%	(6.73%)	25.65%
Other information			
Closing net asset value (£'000)	437,019	402,903	432,014
Closing number of shares	477,495,663	477,451,030	477,458,683
Operating charges	0.13%	0.15%	0.17%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	103.1	92.04	92.46
Lowest share price	84.46	76.26	72.39

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	80.73	87.18	69.95
Return before operating charges*	7.00	(5.68)	18.01
Operating charges	(0.82)	(0.77)	(0.78)
Return after operating charges*	6.18	(6.45)	17.23
Distributions	(2.41)	(2.08)	(1.46)
Retained distributions on accumulation shares	2.41	2.08	1.46
Closing net asset value per share	86.91	80.73	87.18
 * after direct transaction costs of:	 0.06	 0.05	 0.13
Performance			
Return after charges	7.66%	(7.40%)	24.63%
Other information			
Closing net asset value (£'000)	30,869	24,027	25,189
Closing number of shares	35,518,738	29,763,576	28,892,663
Operating charges	0.93%	0.95%	0.97%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	98.00	88.61	89.10
Lowest share price	80.76	73.14	70.20

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	67.07	74.99	61.72
Return before operating charges*	5.75	(4.93)	15.88
Operating charges	(0.67)	(0.65)	(0.69)
Return after operating charges*	5.08	(5.58)	15.19
Distributions	(2.58)	(2.34)	(1.92)
Closing net asset value per share	69.57	67.07	74.99
 * after direct transaction costs of:	 0.05	 0.04	 0.11
Performance			
Return after charges	7.57%	(7.44%)	24.61%
Other information			
Closing net asset value (£'000)	36,282	27,082	22,727
Closing number of shares	52,154,327	40,377,117	30,308,721
Operating charges	0.93%	0.95%	0.97%
Direct transaction costs	0.07%	0.06%	0.16%
Prices			
Highest share price	78.95	76.24	76.97
Lowest share price	67.11	61.53	62.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (98.82%)		790,119	98.69
Europe, Middle East & African Equities (15.80%)		121,976	15.24
Georgia (0.91%)		9,333	1.17
551,906	Bank of Georgia	9,333	1.17
Hungary (0.45%)		4,317	0.54
4,247,609	Magyar Telekom	4,317	0.54
Luxembourg (1.19%)		1,868	0.23
131,094	Tenaris	1,868	0.23
Nigeria (0.37%)		5,349	0.67
5,167,959	Seplat Petroleum Development	5,349	0.67
Russia (7.95%)		68,258	8.53
1,701,048	Globaltrans Investment	9,855	1.23
169,529	HeadHunter	2,787	0.35
108,357,825	Inter RAO	6,571	0.82
226,459	LUKOIL	15,091	1.89
328,774	MMC Norilsk Nickel	7,737	0.97
14,137	Novatek	159	0.02
311,012	Rosneft Oil	1,455	0.18
5,655,504	Sberbank of Russia (Preference)	14,169	1.77
473,081	Severstal	4,511	0.56
242,870	X5 Retail Group	5,923	0.74
South Africa (4.27%)		24,355	3.04
692,135	Firststrand	1,899	0.24
65,609	Naspers	7,774	0.97
850,250	Sanlam	2,749	0.34
2,187,612	Vodacom	11,933	1.49
Turkey (0.66%)		8,496	1.06
4,939,204	Turkcell Iletisim	8,496	1.06

Holding	Investment	Market value £'000	Percentage of total net assets
Latin America Equities (15.85%)		121,904	15.22
Argentina (0.24%)		-	-
Brazil (8.12%)		54,000	6.74
2,323,562	Banco Bradesco (Preference)	12,310	1.54
663,386	Cyrela Brazil Realty	3,430	0.43
1,010,526	IRB Brasil Resseguros	5,824	0.73
2,931,637	Itaúsa	6,105	0.76
900,198	Petrol Brasileiros (Preference)	3,957	0.49
1,213,014	TAESA	6,294	0.78
293,133	Telefonica Brasil (Preference)	2,715	0.34
1,531,892	Vale	11,696	1.46
186,175	YDUQS Part	1,669	0.21
Chile (0.76%)		6,505	0.81
49,750,043	Enel Americas	6,505	0.81
Mexico (4.14%)		46,796	5.84
904,516	FEMSA	5,721	0.72
1,502,207	Grupo Aeroportuario del Centro Norte	7,624	0.95
3,640,160	Grupo Financiero Banorte	15,458	1.93
4,151,941	Grupo México	7,635	0.95
8,842,780	PLA Administradora Industrial	10,358	1.29
Panama (1.14%)		5,984	0.75
91,942	Copa Holdings	5,984	0.75
Peru (1.45%)		8,619	1.08
60,726	Credicorp	8,619	1.08
Pacific Basin Equities (66.23%)		546,239	68.23
Australia (0.12%)		-	-
China (25.84%)		204,603	25.55
273,475	Alibaba ADR	44,549	5.56
440,648	ANTA Sports Products	2,773	0.35
72,416	Autohome	4,406	0.55
49,525,284	China Construction Bank	31,345	3.91
1,523,000	China Life Insurance	2,794	0.35
4,528,919	China Merchants Bank	16,721	2.09
3,885,322	China Petroleum	1,565	0.19
6,490,084	Dali Foods	3,351	0.42
12,505,988	Goodbaby International	1,671	0.21

Holding	Investment	Market value £'000	Percentage of total net assets
3,739,553	Haitian International	5,740	0.72
437,452	Huazhu Group	11,559	1.44
3,375,427	Ping An Insurance 'H'	29,366	3.67
960,562	Tencent	37,249	4.65
14,664,682	Tianhe Chemicals*	-	-
3,374,277	Weichai Power	5,200	0.65
207,533	Wuliangye Yibin	2,803	0.35
4,424,500	Xiabu Xiabu	3,511	0.44
Hong Kong (4.28%)		36,957	4.62
550,950	China Lumena New Materials*	-	-
88,800	China Metal Recycling**	-	-
1,672,965	China Mobile	10,303	1.29
3,681,853	China Resources Land	13,279	1.66
12,988,775	SITC	11,731	1.46
2,010,276	Texhong Textile	1,644	0.21
India (6.22%)		56,780	7.09
304,677	Bajaj	11,149	1.39
2,933,013	Biocon	9,196	1.15
392,429	Housing Development Finance	9,302	1.16
2,060,000	IRB InvIT	1,007	0.13
3,421,779	ITC	7,300	0.91
494,486	Larsen & Toubro	6,389	0.80
694,177	Oberoi Realty	3,841	0.48
180,184	Tata Consultancy Services	3,937	0.49
576,875	Tech Mahindra	4,659	0.58
Indonesia (1.27%)		15,448	1.93
5,002,973	AKR Corporindo	718	0.09
26,304,100	Bank Rakyat Indonesia	5,985	0.75
133,239,551	Pakuwon Jati	3,853	0.48
25,762,100	Telekomunikasi Indonesia 'B'	4,892	0.61
Macau (1.62%)		18,831	2.35
5,170,947	Sands China	18,831	2.35
Malaysia (0.48%)		3,165	0.40
8,738,323	UOA Development	3,165	0.40

Holding	Investment	Market value £'000	Percentage of total net assets
South Korea (12.40%)		98,939	12.36
375,865	KB Financial	9,413	1.18
87,439	LG Chemical Preference KRW 5000	10,512	1.31
413,070	Samsung Electronics	14,432	1.80
1,507,941	Samsung Electronics (Preference)	44,277	5.53
234,446	Shinhan Finance	4,881	0.61
272,213	SK Hynix	15,424	1.93
Taiwan (9.14%)		84,621	10.57
16,160	Chicony Electronics Co	35	–
2,443,000	Chroma ATE	8,970	1.12
659,629	Globalwafers	6,984	0.87
3,262,000	Hon Hai Precision	6,764	0.85
388,743	President Chain Store	2,980	0.37
6,045,739	Taiwan Semiconductors Manufacturing	49,397	6.17
1,836,000	Taiwan Union Technology	6,314	0.79
1,785,927	Wistron NeWeb	3,177	0.40
Thailand (4.86%)		26,895	3.36
2,048,478	Advanced Info Service	10,165	1.27
703,625	Kasikornbank	2,077	0.26
8,040,300	PTT (Alien Market)	7,780	0.97
504,766	Siam Cement	3,882	0.49
7,486,616	Supalai	2,991	0.37
Collective Investment Schemes (0.94%)		1,593	0.20
1,593	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	1,593	0.20
Total investment assets		791,712	98.89
Net other assets		8,927	1.11
Total Net Assets		800,639	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.
The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

* Suspended

** Delisted

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	37,559	(76,377)
Revenue	4	32,397	28,420
Expenses	5	(3,885)	(3,667)
Interest payable and similar charges		(5)	(7)
Net revenue before taxation		28,507	24,746
Taxation	6	(2,507)	(2,561)
Net revenue after taxation		26,000	22,185
Total return before distributions		63,559	(54,192)
Distributions	7	(26,435)	(22,608)
Change in net assets attributable to shareholders from investment activities		37,124	(76,800)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	765,002	784,881
Amounts receivable on the issue of shares	58,207	67,466
Amounts payable on the cancellation of shares	(83,903)	(31,575)
	(25,696)	35,891
Dilution adjustment	-	158
Change in net assets attributable to shareholders from investment activities (see above)	37,124	(76,800)
Retained distribution on accumulation shares	24,209	20,872
Closing net assets attributable to shareholders	800,639	765,002

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		791,712	755,994
Current assets:			
Debtors	8	5,597	2,942
Cash and bank balances		4,545	6,947
		10,142	9,889
Total assets		801,854	765,883
Liabilities:			
Creditors	9	(820)	(559)
Bank overdrafts		(8)	-
Distribution payable		(387)	(322)
		(1,215)	(881)
Total liabilities		(1,215)	(881)
Net assets attributable to shareholders		800,639	765,002

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	37,376	(75,914)
Forward currency contracts	(88)	(14)
Other gains/(losses)	332	(404)
Transaction charges	(61)	(45)
Net capital gains/(losses)	37,559	(76,377)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	194,180	204,297	190,307	147,761
Collective investment schemes	126,631	144,872	132,234	146,931
Corporate actions	–	8,000	416	–
Trades in the year before transaction costs	320,811	357,169	322,957	294,692
Commissions				
Equities	126	116	(112)	(109)
Total commissions	126	116	(112)	(109)
Taxes				
Equities	118	102	(181)	(110)
Total taxes	118	102	(181)	(110)
Total transaction costs	244	218	(293)	(219)
Total net trades in the year after transaction costs	321,055	357,387	322,664	294,473

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.07	0.06	0.06	0.07
Taxes				
Equities	0.06	0.05	0.10	0.07

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.03
Taxes	0.04	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.24% (2019: 0.19%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	2,296	1,894
Overseas dividends	30,054	26,481
Taxable distributions on offshore funds	47	18
Bank interest	–	27
Total revenue	32,397	28,420

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,888	2,563
Dealing charge	30	24
Registration fees	651	589
	3,569	3,176
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	69	61
Safe custody fee	204	416
	273	477
Other:		
Professional fees	34	5
Audit fee	9	9
	43	14
Total expenses	3,885	3,667

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	2,507	2,561
Total current tax	2,507	2,561
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	28,507	24,746
Corporation tax at 20% (2019: 20%)	5,701	4,949
Effects of:		
Revenue not subject to taxation	(5,929)	(5,152)
Overseas taxes	2,507	2,561
Overseas tax expensed	(79)	(55)
Excess allowable expenses	307	257
Previous year excess expense adjustment	–	1
Total tax charge for year (note 6a)	2,507	2,561

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £804,000 (2019: £497,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	7,351	6,452
Second interim distribution	9,565	8,731
Third interim distribution	4,901	3,988
Final distribution	4,433	3,642
	26,250	22,813
Add: Income deducted on cancellation of shares	420	129
Deduct: Income received on issue of shares	(235)	(334)
Net distribution for the year	26,435	22,608
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	26,000	22,185
Annual ACD charge to capital	379	373
Registration fees taken from the capital account	40	39
Dealing charges taken from the capital account	16	12
Undistributed revenue brought forward	1	–
Undistributed revenue carried forward	(1)	(1)
Total distributions	26,435	22,608

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	1,873	103
Sales awaiting settlement	1,347	29
Accrued revenue	2,377	2,810
Total debtors	5,597	2,942

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	452	148
Purchases awaiting settlement	–	64
Accrued expenses payable to ACD	315	259
Accrued expenses payable to the Depositary or associates of the Depositary	37	81
Other accrued expenses	16	7
Total creditors	820	559

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	4,552,241	15,198,281	(13,520,766)	(9,612)	6,220,144
Institutional accumulation	343,163,470	16,823,111	(52,434,362)	265,374	307,817,593
Retail income	692,966	637,213	(834,911)	–	495,268
Institutional income	31,836,444	13,971,228	(23,052,902)	46,225	22,800,995
Standard Life income	10,509,712	–	(2,016,356)	–	8,493,356
Standard Life accumulation	477,451,030	56,364	(11,731)	–	477,495,663
Platform 1 accumulation	29,763,576	10,817,948	(4,805,615)	(257,171)	35,518,738
Platform 1 income	40,377,117	14,364,002	(2,540,411)	(46,381)	52,154,327

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	790,119	–	–	748,798	–	–
Collective Investment Schemes	–	1,593	–	–	7,196	–
Total investment assets	790,119	1,593	–	748,798	7,196	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £39,586,000 (2019: £37,800,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £39,185,000 (2019: £37,422,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	–	944
Brazilian Real	54,661	63,016
Chilean Peso	6,505	5,787
China Renminbi	2,803	4,804
Hong Kong Dollar	197,074	199,803
Hungarian Forint	4,317	3,454
Indian Rupee	57,325	47,982
Indonesian Rupiah	15,844	9,915
Malaysian Ringgit	3,165	3,683
Mexican Peso	46,798	32,468
Russian Ruble	26,864	25,019
South Africa Rand	24,355	32,677
South Korean Won	100,260	96,540
Taiwan Dollar	87,584	70,083
Thai Baht	27,058	37,387
Turkish Lira	8,496	5,055
US Dollar	120,597	109,819

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	1,584	15,349	16,933
Brazilian Real	26	54,635	54,661
Chilean Peso	–	6,505	6,505
China Renminbi	–	2,803	2,803
Hong Kong Dollar	–	197,074	197,074
Hungarian Forint	–	4,317	4,317
Indian Rupee	546	56,779	57,325
Indonesian Rupiah	190	15,654	15,844
Malaysian Ringgit	–	3,165	3,165
Mexican Peso	–	46,798	46,798
Russian Ruble	–	26,864	26,864
South Africa Rand	–	24,355	24,355
South Korean Won	–	100,260	100,260
Taiwan Dollar	2,963	84,621	87,584
Thai Baht	–	27,058	27,058
Turkish Lira	–	8,496	8,496
US Dollar	820	119,777	120,597
2019			
Currency			
UK Sterling	7,453	9,113	16,566
Australian Dollar	–	944	944
Brazilian Real	1	63,015	63,016
Chilean Peso	–	5,787	5,787
China Renminbi	–	4,804	4,804
Hong Kong Dollar	3,253	196,550	199,803
Hungarian Forint	–	3,454	3,454
Indian Rupee	404	47,578	47,982
Indonesian Rupiah	186	9,729	9,915
Malaysian Ringgit	–	3,683	3,683
Mexican Peso	818	31,650	32,468
Russian Ruble	–	25,019	25,019
South Africa Rand	–	32,677	32,677
South Korean Won	–	96,540	96,540
Taiwan Dollar	171	69,912	70,083
Thai Baht	–	37,387	37,387
Turkish Lira	–	5,055	5,055
US Dollar	1,857	107,962	109,819

d. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 66.88p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 63.78p. This represents a decrease of 4.63% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.6308	-	0.6308*	0.5280
Group 2	0.3880	0.2428	0.6308*	0.5280
Institutional accumulation				
Group 1	0.6915	-	0.6915*	0.6422
Group 2	0.5316	0.1599	0.6915*	0.6422
Retail income				
Group 1	0.6942	-	0.6942**	0.6801
Group 2	0.5512	0.1430	0.6942**	0.6801
Institutional income				
Group 1	0.7093	-	0.7093**	0.7009
Group 2	0.4106	0.2987	0.7093**	0.7009
Standard Life income				
Group 1	0.7315	-	0.7315**	0.6702
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.8585	-	0.8585*	0.7779
Group 2	0.7846	0.0739	0.8585*	0.7779
Platform 1 accumulation				
Group 1	0.6806	-	0.6806*	0.6247
Group 2	0.4702	0.2104	0.6806*	0.6247
Platform 1 income				
Group 1	0.7056	-	0.7056**	0.6922
Group 2	0.4208	0.2848	0.7056**	0.6922

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.7388	-	0.7388*	0.6844
Group 2	0.1658	0.5730	0.7388*	0.6844
Institutional accumulation				
Group 1	0.9468	-	0.9468*	0.8192
Group 2	0.2423	0.7045	0.9468*	0.8192
Retail income				
Group 1	0.8875	-	0.8875**	0.8375
Group 2	0.5750	0.3125	0.8875**	0.8375
Institutional income				
Group 1	0.9177	-	0.9177**	0.8453
Group 2	0.3226	0.5951	0.9177**	0.8453
Standard Life income				
Group 1	0.9582	-	0.9582**	0.9466
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	1.1398	-	1.1398*	1.0628
Group 2	0.2054	0.9344	1.1398*	1.0628
Platform 1 accumulation				
Group 1	0.9336	-	0.9336*	0.8101
Group 2	0.3012	0.6324	0.9336*	0.8101
Platform 1 income				
Group 1	0.9159	-	0.9159**	0.8522
Group 2	0.3533	0.5626	0.9159**	0.8522

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.3059	-	0.3059*	0.2358
Group 2	0.0735	0.2324	0.3059*	0.2358
Institutional accumulation				
Group 1	0.4336	-	0.4336*	0.3354
Group 2	0.0832	0.3504	0.4336*	0.3354
Retail income				
Group 1	0.4762	-	0.4762**	0.4049
Group 2	0.0739	0.4023	0.4762**	0.4049
Institutional income				
Group 1	0.4951	-	0.4951**	0.4154
Group 2	0.1838	0.3113	0.4951**	0.4154
Standard Life income				
Group 1	0.5175	-	0.5175**	0.4280
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.6168	-	0.6168*	0.4964
Group 2	0.1923	0.4245	0.6168*	0.4964
Platform 1 accumulation				
Group 1	0.4227	-	0.4227*	0.3222
Group 2	0.0669	0.3558	0.4227*	0.3222
Platform 1 income				
Group 1	0.4941	-	0.4941**	0.4141
Group 2	0.1426	0.3515	0.4941**	0.4141

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.2728	-	0.2728*	0.4003
Group 2	0.0303	0.2425	0.2728*	0.4003
Institutional accumulation				
Group 1	0.3740	-	0.3740*	0.3323
Group 2	0.0671	0.3069	0.3740*	0.3323
Retail income				
Group 1	0.4364	-	0.4364**	0.4126
Group 2	0.2680	0.1684	0.4364**	0.4126
Institutional income				
Group 1	0.4600	-	0.4600**	0.3916
Group 2	0.1161	0.3439	0.4600**	0.3916
Standard Life income				
Group 1	0.4801	-	0.4801**	0.3731
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.5748	-	0.5748*	0.4325
Group 2	0.1351	0.4397	0.5748*	0.4325
Platform 1 accumulation				
Group 1	0.3726	-	0.3726*	0.3266
Group 2	0.0341	0.3385	0.3726*	0.3266
Platform 1 income				
Group 1	0.4596	-	0.4596**	0.3826
Group 2	0.2389	0.2207	0.4596**	0.3826

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Europe ex UK Growth Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in European equities (company shares).

Performance Target: To achieve the return of the FTSE World Europe ex UK Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA Europe ex UK Equity Sector Average. The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated, or domiciled in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries can include the emerging markets of Europe, but excludes the UK.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, FTSE World ex UK Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the FTSE World ex UK Index over the longer term.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").

- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 8.8%. This compared to a return of 9.3% for our performance target (the FTSE World Europe ex UK Index +3%).

In terms of performance, German utility RWE enhanced returns. The business is benefiting from its move from coal-fired energy to increasing power generation from renewables. French relationship-management business Teleperformance also delivered strong relative returns. The business is seeing higher growth and improved operating margins. We expect Teleperformance to continue to exceed investor expectations as it shifts its business mix towards higher valued-added areas. Enel, the Italian utility, benefited from strong sector performance. The company's defensive qualities came to the fore as equity-market volatility rose due to the spread of the coronavirus.

Umicore detracted from performance. This chemical business is positioning itself as a supplier to electric vehicle makers, particularly in China. The company gave a disappointing trading update, caused by several coinciding factors. These included lower auto sales in China, weaker cobalt pricing and fires at energy storage systems. Investors also started to worry about the company's expenditure on its electric vehicle strategy. Elsewhere, Dutch insurer ASR Nederland lost value as it encountered headwinds from falling bond yields and disappointing results. The Spanish bank Bankinter was another weak performer. The stock became the victim of the general malaise around the challenge of deleveraging facing the Spanish banking industry.

Activity

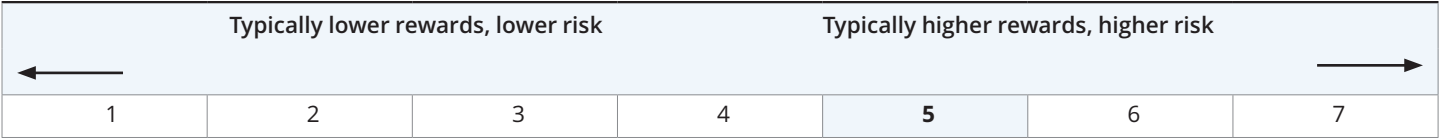
We bought software company SAP, as we felt that investors had underappreciated its Qualtrics acquisition. The firm also appears to be on a trajectory of improving cash delivery, partly funded by the sale of Siltronic. Heineken was purchased for the scope it has to significantly accelerate sales and improve profit margins. We currently like longer-duration growth names with low levels of cyclicality. These include Alstom, which is linked to spending on rail infrastructure, and Thales, which is being driven by defence and civil aerospace investment. We added to the Fund's holding in online-focused FinecoBank, which is well placed to disrupt the slow moving Italian banking mainstream with its low-cost digital platform. We also increased our exposure to niche-growth areas, such as electronic payments, with a new position in Worldline. Elsewhere, we purchased Norwegian insurer Storebrand. The company has started to benefit from the shift in the pension industry from defined benefit to defined contribution schemes.

Regarding sales, we reduced our exposure to financials, a move that reflected the lower-for-longer interest-rate environment keeping downward pressure on margins. We were also concerned about deteriorating credit quality. To reduce financial exposure, we exited Banco Santander, Erste Bank and Bankinter. We also removed lower-conviction stocks, including Essity (health and personal hygiene), Orange (telecoms), Infineon (semiconductors), Amadeus (travel technology) and Orpea (dependency care). We sold Wartsila, the cyclically sensitive manufacturer of power plants for electrical generation and marine propulsion. The business has made only limited progress in addressing its weaker divisions. Lastly, we disposed of Swedbank as its money-laundering issues rumbled on with no end in sight.

Outlook and Strategy

It is difficult to predict how far-reaching the coronavirus impact will be, and how long the slowdown that it causes will last. Policy action by governments is likely to try and stem this, but the effect remains difficult to quantify. The equity market reaction, however, should be seen in the context of a strong rally last year. Given the maturity of the economic cycle, we should expect a period of uncertainty and volatile markets.

Synthetic Risk & Reward Indicator



This indicator reflects the volatility of the Fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free. The Fund is rated as 5 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment. Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund’s ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	184.27	200.91	177.36
Return before operating charges*	18.21	(14.00)	26.24
Operating charges	(2.72)	(2.64)	(2.69)
Return after operating charges*	15.49	(16.64)	23.55
Distributions	(2.31)	(2.81)	(3.33)
Retained distributions on accumulation shares	2.31	2.81	3.33
Closing net asset value per share	199.76	184.27	200.91
 * after direct transaction costs of:	 0.16	 0.19	 0.27
Performance			
Return after charges	8.41%	(8.28%)	13.28%
Other information			
Closing net asset value (£'000)	37,111	36,496	40,637
Closing number of shares	18,577,912	19,806,111	20,227,024
Operating charges	1.35%	1.36%	1.36%
Direct transaction costs	0.08%	0.10%	0.14%
Prices			
Highest share price	222.5	212.4	209.1
Lowest share price	183.6	174.2	178.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	215.97	234.37	205.93
Return before operating charges*	21.34	(16.37)	30.49
Operating charges	(2.09)	(2.03)	(2.05)
Return after operating charges*	19.25	(18.40)	28.44
Distributions	(3.82)	(4.35)	(4.95)
Retained distributions on accumulation shares	3.82	4.35	4.95
Closing net asset value per share	235.22	215.97	234.37
 * after direct transaction costs of:	 0.19	 0.22	 0.32
Performance			
Return after charges	8.91%	(7.85%)	13.81%
Other information			
Closing net asset value (£'000)	32,863	34,181	60,307
Closing number of shares	13,971,028	15,826,865	25,731,533
Operating charges	0.88%	0.88%	0.89%
Direct transaction costs	0.08%	0.10%	0.14%
Prices			
Highest share price	261.9	248.4	243.4
Lowest share price	215.2	204.0	207.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	61.54	68.14	61.17
Return before operating charges*	6.07	(4.74)	9.05
Operating charges	(0.91)	(0.90)	(0.93)
Return after operating charges*	5.16	(5.64)	8.12
Distributions	(0.77)	(0.96)	(1.15)
Closing net asset value per share	65.93	61.54	68.14
 * after direct transaction costs of:	 0.06	 0.06	 0.09
Performance			
Return after charges	8.38%	(8.28%)	13.27%
Other information			
Closing net asset value (£'000)	773	629	1,568
Closing number of shares	1,172,621	1,022,576	2,300,629
Operating charges	1.35%	1.36%	1.36%
Direct transaction costs	0.08%	0.10%	0.14%
Prices			
Highest share price	74.30	72.04	72.08
Lowest share price	61.32	59.09	61.63

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	107.26	96.23
Return before operating charges*	2.80	14.31
Operating charges	(0.06)	(0.06)
Return after operating charges*	2.74	14.25
Distributions	–	(3.22)
Redemption value as at 14 June 2018	(110.00)	–
Closing net asset value per share	–	107.26
 * after direct transaction costs of:	 0.05	 0.15
Performance		
Return after charges	2.55%	14.81%
Other information		
Closing net asset value (£'000)	–	2
Closing number of shares	–	2,156
Operating charges	0.06%	0.06%
Direct transaction costs	0.10%	0.14%
Prices		
Highest share price	112.0	114.6
Lowest share price	101.5	97.16

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life income share class closed on 14 June 2018.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	159.08	171.34	149.42
Return before operating charges*	15.70	(12.03)	22.15
Operating charges	(0.23)	(0.23)	(0.23)
Return after operating charges*	15.47	(12.26)	21.92
Distributions	(4.13)	(4.44)	(4.86)
Retained distributions on accumulation shares	4.13	4.44	4.86
Closing net asset value per share	174.55	159.08	171.34
 * after direct transaction costs of:	 0.14	 0.16	 0.23
Performance			
Return after charges	9.72%	(7.16%)	14.67%
Other information			
Closing net asset value (£'000)	938	1,014	1,250
Closing number of shares	537,339	637,373	729,425
Operating charges	0.13%	0.14%	0.14%
Direct transaction costs	0.08%	0.10%	0.14%
Prices			
Highest share price	194.4	182.2	177.8
Lowest share price	158.6	150.1	150.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	96.70	104.98	92.29
Return before operating charges*	9.53	(7.32)	13.66
Operating charges	(0.99)	(0.96)	(0.97)
Return after operating charges*	8.54	(8.28)	12.69
Distributions	(1.66)	(1.90)	(2.17)
Retained distributions on accumulation shares	1.66	1.90	2.17
Closing net asset value per share	105.24	96.70	104.98
 * after direct transaction costs of:	 0.09	 0.10	 0.14
Performance			
Return after charges	8.83%	(7.89%)	13.75%
Other information			
Closing net asset value (£'000)	8,064	8,614	10,144
Closing number of shares	7,662,940	8,908,006	9,662,134
Operating charges	0.93%	0.94%	0.94%
Direct transaction costs	0.08%	0.10%	0.14%
Prices			
Highest share price	117.2	111.2	109.1
Lowest share price	96.36	91.36	93.05

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (97.25%)		79,406	99.57
European Equities (97.25%)		79,406	99.57
Austria (3.06%)		2,386	2.99
71,330	BAWAG Group	2,386	2.99
Belgium (1.74%)		-	-
Denmark (7.57%)		5,585	7.00
39,349	Ambu	695	0.87
16,725	Coloplast	1,743	2.18
68,945	Novo Nordisk	3,147	3.95
Finland (1.15%)		-	-
France (25.98%)		22,871	28.68
16,981	Air Liquide	1,794	2.25
23,757	Airbus	2,208	2.77
41,994	Alstom	1,606	2.01
145,315	AXA	2,619	3.28
53,091	Bouygues	1,620	2.03
3,574	Kering	1,554	1.95
9,929	Pernod Ricard	1,249	1.57
29,931	Schneider Electric	2,329	2.92
11,903	Teleperformance	2,248	2.82
18,128	Thales	1,416	1.78
47,086	TOTAL	1,554	1.95
21,047	Ubisoft Entertainment	1,220	1.53
24,566	Worldline	1,454	1.82
Germany (13.95%)		11,044	13.85
30,918	Bayer	1,716	2.15
23,947	Covestro	705	0.88
90,362	RWE	2,412	3.03
28,862	SAP	2,764	3.47
22,723	Siemens	1,803	2.26
108,584	TUI	650	0.81
10,123	Wirecard	994	1.25
Ireland (5.56%)		4,625	5.80
56,556	CRH	1,482	1.86
21,949	Kerry	2,165	2.71
11,846	Paddy Power Betfair	978	1.23

Holding	Investment	Market value £'000	Percentage of total net assets
Italy (4.59%)		5,219	6.54
367,401	Enel	2,394	3.00
190,727	FincoBank	1,557	1.95
68,970	Prysmian	1,268	1.59
Netherlands (8.04%)		8,843	11.09
16,346	Akzo Nobel	1,014	1.27
12,658	ASML	2,701	3.39
21,952	ASR Nederland	569	0.71
22,767	Heineken	1,766	2.22
12,697	Koninklijke DSM	1,110	1.39
30,785	Prosus	1,683	2.11
Norway (0.00%)		995	1.25
202,863	Storebrand	995	1.25
Portugal (1.50%)		1,810	2.27
170,146	Galp Energia	1,810	2.27
Spain (6.67%)		1,778	2.23
73,549	Inditex	1,778	2.23
Sweden (4.62%)		2,381	2.99
48,649	EQT	549	0.69
40,695	Swedish Match	1,832	2.30
Switzerland (12.82%)		11,869	14.88
149,559	Credit Suisse	1,307	1.64
33,209	Julius Baer	1,080	1.35
53,840	Nestle	4,304	5.40
2,678	Partners	1,800	2.26
13,484	Roche	3,378	4.23
Collective Investment Schemes (2.61%)		522	0.65
522	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	522	0.65
Total investment assets		79,928	100.22
Net other liabilities		(179)	(0.22)
Total Net Assets		79,749	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	6,085	(10,057)
Revenue	4	2,340	3,275
Expenses	5	(926)	(1,036)
Net revenue before taxation		1,414	2,239
Taxation	6	(181)	(376)
Net revenue after taxation		1,233	1,863
Total return before distributions		7,318	(8,194)
Distributions	7	(1,233)	(1,863)
Change in net assets attributable to shareholders from investment activities		6,085	(10,057)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	80,934	113,908
Amounts receivable on the issue of shares	1,764	2,927
Amounts payable on the cancellation of shares	(10,147)	(27,348)
	(8,383)	(24,421)
Dilution adjustment	2	64
Change in net assets attributable to shareholders from investment activities (see above)	6,085	(10,057)
Retained distribution on accumulation shares	1,111	1,440
Closing net assets attributable to shareholders	79,749	80,934

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		79,928	80,819
Current assets:			
Debtors	8	1,005	304
Cash and bank balances		69	27
		1,074	331
Total assets		81,002	81,150
Liabilities:			
Creditors	9	(1,244)	(151)
Bank overdrafts		-	(55)
Distribution payable		(9)	(10)
		(1,253)	(216)
Total liabilities		(1,253)	(216)
Net assets attributable to shareholders		79,749	80,934

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	6,077	(10,012)
Forward currency contracts	1	-
Other gains/(losses)	18	(29)
Transaction charges	(11)	(16)
Net capital gains/(losses)	6,085	(10,057)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	26,669	32,526	31,951	56,702
Collective investment schemes	13,419	23,388	15,010	22,913
Corporate actions	-	-	162	-
Trades in the year before transaction costs	40,088	55,914	47,123	79,615
Commissions				
Equities	18	22	(19)	(32)
Total commissions	18	22	(19)	(32)
Taxes				
Equities	33	41	-	-
Total taxes	33	41	-	-
Total transaction costs	51	63	(19)	(32)
Total net trades in the year after transaction costs	40,139	55,977	47,104	79,583

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.07	0.07	0.06	0.06
Taxes				
Equities	0.12	0.13	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.05
Taxes	0.04	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.07% (2019: 0.05%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	2,326	3,268
Taxable distributions on offshore funds	11	4
Bank interest	3	3
Total revenue	2,340	3,275

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	851	945
Dealing charge	4	5
Registration fees	37	46
	892	996
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	14	19
Safe custody fee	9	12
	23	31
Other:		
Professional fees	1	–
Audit fee	10	9
	11	9
Total expenses	926	1,036

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	181	376
Total current tax	181	376
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	1,414	2,239
Corporation tax at 20% (2019: 20%)	283	448
Effects of:		
Revenue not subject to taxation	(453)	(645)
Overseas taxes	181	376
Overseas tax expensed	(2)	(1)
Excess allowable expenses	172	198
Total tax charge for year (note 6a)	181	376

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,737,000 (2019: £1,565,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	1,120	1,450
Add: Income deducted on cancellation of shares	139	451
Deduct: Income received on issue of shares	(26)	(38)
Net distribution for the year	1,233	1,863

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	50	1
Sales awaiting settlement	646	-
Foreign withholding tax recoverable	309	303
Total debtors	1,005	304

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	66	70
Purchases awaiting settlement	1,092	–
Accrued expenses payable to ACD	72	65
Accrued expenses payable to the Depositary or associates of the Depositary	3	6
Other accrued expenses	11	10
Total creditors	1,244	151

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	19,806,111	279,265	(1,442,684)	(64,780)	18,577,912
Institutional accumulation	15,826,865	128,930	(1,976,113)	(8,654)	13,971,028
Retail income	1,022,576	277,579	(127,534)	–	1,172,621
Standard Life accumulation	637,373	28,741	(128,775)	–	537,339
Platform 1 accumulation	8,908,006	608,262	(1,995,817)	142,489	7,662,940

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	79,406	–	–	78,706	–	–
Collective Investment Schemes	–	522	–	–	2,113	–
Total investment assets	79,406	522	–	78,706	2,113	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £3,996,000 (2019: £4,041,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £3,967,000 (2019: £3,949,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Danish Krone	5,727	6,254
Euro	58,299	58,552
Norwegian Krone	995	–
Swedish Krona	2,381	3,737
Swiss Franc	11,900	10,406
US Dollar	29	25

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/(liabilities) £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	524	(106)	418
Danish Krone	16	5,711	5,727
Euro	22	58,277	58,299
Norwegian Krone	–	995	995
Swedish Krona	–	2,381	2,381
Swiss Franc	–	11,900	11,900
US Dollar	29	–	29
2019			
Currency			
UK Sterling	2	1,958	1,960
Danish Krone	–	6,254	6,254
Euro	(55)	58,607	58,552
Swedish Krona	–	3,737	3,737
Swiss Franc	–	10,406	10,406
US Dollar	25	–	25

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14

Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Accumulation' was 199.76p. The Net Asset Value of share class 'Retail Accumulation' as at 12 noon on 17 June 2020 was 213.46p. This represents an increase of 6.86% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	2.3079	-	2.3079*	2.8053
Group 2	0.0437	2.2642	2.3079*	2.8053
Institutional accumulation				
Group 1	3.8187	-	3.8187*	4.3453
Group 2	0.7289	3.0898	3.8187*	4.3453
Retail income				
Group 1	0.7709	-	0.7709**	0.9579
Group 2	-	0.7709	0.7709**	0.9579
Standard Life accumulation				
Group 1	4.1293	-	4.1293*	4.4350
Group 2	1.0348	3.0945	4.1293*	4.4350
Platform 1 accumulation				
Group 1	1.6565	-	1.6565*	1.8951
Group 2	0.1895	1.4670	1.6565*	1.8951

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Europe ex UK Income Equity Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in European equities (company shares).

Performance Target: To achieve the return of the FTSE World Europe ex UK Index, plus 2% per annum over rolling five year periods (before charges) with a yield greater than that of this index. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated, or domiciled in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries include the emerging markets of Europe, but excludes the UK.
- The Fund may also invest up to 15% in bonds (loans to companies).
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. Given the fund's income objective, the management team place particular emphasis on understanding business fundamentals and dynamics and the impact this has on cash flow generation and the company's ability to allocate cash effectively.
- The combined average yield on assets in the Fund is expected to be higher than the broad European equity market, as represented by the FTSE World Europe ex UK Index.
- In seeking to achieve the Performance Target, the FTSE World Europe ex UK Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 6%. Due to the income nature of the management process, the Fund's performance profile may deviate significantly from that of the FTSE World Europe ex UK Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.

Performance

Over the 12-month period to the end of February, the Fund returned 6.8% (platform 1 share class). This compared to a return of 8.3% for our performance target (the FTSE World Europe ex UK Index +2%). Meanwhile, the Fund's yield was 2.74% over the year, versus a yield target of 3.21% (the FTSE World Europe ex UK Index).

Umicore detracted from performance. This chemical business is positioning itself as a supplier to electric vehicle makers, particularly in China. The company gave a disappointing trading update, after a drop in auto sales in China, weaker cobalt pricing and fires at energy storage systems. The Spanish bank Bankinter was another weak performer. The stock became the victim of the general malaise around the challenge of deleveraging facing the Spanish banking industry. The Fund's position in Finecobank was affected by the final placing of Unicredit's holding in the bank. Latterly, the online-focused Italian bank suffered from profit-taking after recent gains. Nevertheless, we like its strategy of online growth as banks in Italy continue to underinvest in this area.

The Danish ostomy company Coloplast was one of the main positive contributors to the Fund's relative return. Growing confidence that the new CEO would continue with the firm's current successful strategy, allied to strong earnings figures, boosted the stock price. German utility RWE enhanced returns. The business is benefiting from its move from coal-fired energy to increasing power generation from renewables. Enel, the Italian utility, benefited from strong sector performance. The company's defensive qualities came to the fore as equity-market volatility rose due to the spread of the coronavirus.

Activity

Activity included initiating a new position in the German residential property company Vonovia. The business provides an attractive long-term growth opportunity in German residential real estate. We also established a new holding in the Finnish utility Fortum. The company should benefit from its diversified exposure to carbon-friendly electricity generation and the ongoing structural rise in the carbon price. A dividend yield of more than 5% enhances the attractiveness of the shares.

We bought Bouygues, the French construction, telecoms and transport company. Cashflow at Bouygues is robust and it has money to further develop its business. We also bought SES, a satellite operator whose business is set to benefit from the rollout of 5G technology in the US. Neste Oil was purchased given its focus on renewable diesel – a clean-burning green fuel. Finally, we took a position in Schneider Electric, the French electrical equipment manufacturer which is transforming itself from a capital-heavy business into one focused on energy management.

We exited the holding in semiconductor manufacturer Siltronic. We believe the demand outlook is weakening, driving concerns about the pricing of silicon wafers. We sold the holding in Austrian bank Bawag. Despite the lender's satisfactory performance against its peer group, its low liquidity has led us to search for better ideas elsewhere. Scandinavian Tobacco Group was a further sale. We have become concerned about its long-term growth, despite the attraction of potential gains from restructuring.

We sold Orange; the French telecom company demonstrates a lacklustre outlook and a lack of commitment to growing dividends. We also sold ASR Netherlands. The Dutch insurer has suffered in the wake of falling long-term interest rates. Sampo, the Finnish insurance company, was sold. We are worried about a potential change to the company's dividend policy, which would cause the share price to drop. Other sales included CNH Industrial, the Italian truck maker, and Swiss Re, the insurance business.

Outlook & strategy

It is difficult to predict how far-reaching the coronavirus impact will be, and how long the slowdown that it causes will last. Policy action by governments is likely to try and stem this, but the effect remains difficult to quantify. The equity market reaction, however, should be seen in the context of a strong rally last year. Given the maturity of the economic cycle, we should expect a period of uncertainty and volatile markets.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.83	132.73	118.42
Return before operating charges*	9.49	(9.20)	16.04
Operating charges	(1.77)	(1.70)	(1.73)
Return after operating charges*	7.72	(10.90)	14.31
Distributions	(3.00)	(2.97)	(3.12)
Retained distributions on accumulation shares	3.00	2.97	3.12
Closing net asset value per share	129.55	121.83	132.73
 * after direct transaction costs of:	 0.15	 0.12	 0.23
Performance			
Return after charges	6.34%	(8.21%)	12.08%
Other information			
Closing net asset value (£'000)	7,834	8,674	11,322
Closing number of shares	6,046,764	7,119,360	8,530,134
Operating charges	1.33%	1.33%	1.33%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	143.7	137.9	137.4
Lowest share price	121.5	115.0	119.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	129.46	140.38	124.68
Return before operating charges*	10.07	(9.75)	16.89
Operating charges	(1.22)	(1.17)	(1.19)
Return after operating charges*	8.85	(10.92)	15.70
Distributions	(3.86)	(3.78)	(3.92)
Retained distributions on accumulation shares	3.86	3.78	3.92
Closing net asset value per share	138.31	129.46	140.38
 * after direct transaction costs of:	 0.16	 0.13	 0.24
Performance			
Return after charges	6.84%	(7.78%)	12.59%
Other information			
Closing net asset value (£'000)	234,392	200,244	360,986
Closing number of shares	169,466,115	154,677,587	257,153,773
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	153.4	146.2	145.3
Lowest share price	129.1	122.1	125.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	81.61	92.19	85.36
Return before operating charges*	6.29	(6.23)	11.48
Operating charges	(1.16)	(1.16)	(1.22)
Return after operating charges*	5.13	(7.39)	10.26
Distributions	(3.14)	(3.19)	(3.43)
Closing net asset value per share	83.60	81.61	92.19
 * after direct transaction costs of:	 0.10	 0.08	 0.16
Performance			
Return after charges	6.29%	(8.02%)	12.02%
Other information			
Closing net asset value (£'000)	1,195	1,763	2,674
Closing number of shares	1,429,628	2,160,145	2,900,990
Operating charges	1.33%	1.33%	1.33%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	93.07	94.90	96.12
Lowest share price	80.83	77.53	86.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	87.04	97.85	90.18
Return before operating charges*	6.67	(6.62)	12.14
Operating charges	(0.80)	(0.80)	(0.84)
Return after operating charges*	5.87	(7.42)	11.30
Distributions	(3.35)	(3.39)	(3.63)
Closing net asset value per share	89.56	87.04	97.85
 * after direct transaction costs of:	 0.10	 0.09	 0.17
Performance			
Return after charges	6.74%	(7.58%)	12.53%
Other information			
Closing net asset value (£'000)	363,956	460,527	597,881
Closing number of shares	406,365,931	529,094,088	610,995,938
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	99.71	100.8	101.9
Lowest share price	86.31	82.62	90.92

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	94.46	105.32	96.29
Return before operating charges*	7.23	(7.18)	12.93
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	7.20	(7.21)	12.90
Distributions	(3.64)	(3.65)	(3.87)
Closing net asset value per share	98.02	94.46	105.32
 * after direct transaction costs of:	 0.11	 0.09	 0.18
Performance			
Return after charges	7.62%	(6.85%)	13.40%
Other information			
Closing net asset value (£'000)	10,849	11,119	12,908
Closing number of shares	11,068,360	11,770,889	12,255,981
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	109.1	108.7	109.4
Lowest share price	93.87	89.54	97.20

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	138.66	149.22	131.56
Return before operating charges*	10.77	(10.41)	17.81
Operating charges	(0.17)	(0.15)	(0.15)
Return after operating charges*	10.60	(10.56)	17.66
Distributions	(5.28)	(5.12)	(5.23)
Retained distributions on accumulation shares	5.28	5.12	5.23
Closing net asset value per share	149.26	138.66	149.22
 * after direct transaction costs of:	 0.17	 0.13	 0.25
Performance			
Return after charges	7.64%	(7.08%)	13.42%
Other information			
Closing net asset value (£'000)	1,036	1,040	21,820
Closing number of shares	693,816	749,863	14,622,355
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	165.5	156.0	154.3
Lowest share price	138.3	130.6	132.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	96.51	104.72	93.05
Return before operating charges*	7.51	(7.29)	12.61
Operating charges	(0.96)	(0.92)	(0.94)
Return after operating charges*	6.55	(8.21)	11.67
Distributions	(2.82)	(2.77)	(2.87)
Retained distributions on accumulation shares	2.82	2.77	2.87
Closing net asset value per share	103.06	96.51	104.72
 * after direct transaction costs of:	 0.12	 0.09	 0.18
Performance			
Return after charges	6.79%	(7.84%)	12.54%
Other information			
Closing net asset value (£'000)	32,101	41,202	85,026
Closing number of shares	31,149,268	42,692,928	81,197,406
Operating charges	0.91%	0.91%	0.91%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	114.3	109.0	108.4
Lowest share price	96.24	91.06	93.80

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	75.14	84.54	77.95
Return before operating charges*	5.77	(5.74)	10.48
Operating charges	(0.73)	(0.73)	(0.76)
Return after operating charges*	5.04	(6.47)	9.72
Distributions	(2.89)	(2.93)	(3.13)
Closing net asset value per share	77.29	75.14	84.54
 * after direct transaction costs of:	 0.09	 0.07	 0.15
Performance			
Return after charges	6.71%	(7.65%)	12.47%
Other information			
Closing net asset value (£'000)	31,424	41,309	66,948
Closing number of shares	40,659,205	54,973,232	79,189,716
Operating charges	0.91%	0.91%	0.91%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	86.04	87.09	88.02
Lowest share price	74.51	71.33	78.59

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	71.07	77.49	68.22
Return before operating charges*	5.64	(5.91)	9.84
Operating charges	(0.59)	(0.51)	(0.57)
Return after operating charges*	5.05	(6.42)	9.27
Distributions	(2.38)	(2.21)	(5.81)
Retained distributions on accumulation shares	2.38	2.21	5.81
Closing net asset value per share	76.12	71.07	77.49
 * after direct transaction costs of:	 0.09	 0.07	 0.13
Performance			
Return after charges	7.11%	(8.28%)	13.32%
Other information			
Closing net asset value (£'000)	1	— [^]	2
Closing number of shares	1,336	200	2,200
Operating charges	0.74%	0.66%	0.74%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	84.39	80.39	79.59
Lowest share price	70.91	67.14	68.79

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S accumulation is £142.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	57.90	65.45	58.37
Return before operating charges*	4.45	(4.43)	10.11
Operating charges	(0.47)	(0.41)	(0.49)
Return after operating charges*	3.98	(4.84)	9.62
Distributions	(2.21)	(2.71)	(2.54)
Closing net asset value per share	59.67	57.90	65.45
 * after direct transaction costs of:	 0.07	 0.06	 0.12
Performance			
Return after charges	6.87%	(7.39%)	16.46%
Other information			
Closing net asset value (£'000)	1	— [^]	1
Closing number of shares	1,637	200	2,200
Operating charges	0.74%	0.66%	0.74%
Direct transaction costs	0.11%	0.09%	0.17%
Prices			
Highest share price	66.42	67.35	68.05
Lowest share price	57.43	55.25	60.68

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S income is £116.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
European Equities (100.10%)		663,088	97.11
Austria (1.69%)		-	-
Belgium (2.61%)		4,176	0.61
128,575	Umicore	4,176	0.61
Denmark (10.72%)		45,270	6.63
86,268	Coloplast	8,991	1.32
571,070	Novo Nordisk	26,064	3.82
473,151	Tryg	10,215	1.49
Finland (7.48%)		38,361	5.62
425,424	Fortum	7,048	1.03
255,183	Kesko	13,510	1.98
321,530	Kone	14,036	2.06
122,121	Neste	3,767	0.55
France (13.22%)		136,556	20.00
190,645	Airbus	17,723	2.60
905,499	AXA	16,318	2.39
716,656	Bouygues	21,867	3.20
1,373,910	Engie	17,758	2.60
21,378	LVMH	6,818	1.00
345,522	Sanofi	24,936	3.65
139,993	Schneider Electric	10,895	1.60
613,411	TOTAL	20,241	2.96
Germany (8.11%)		84,087	12.31
24,666	Adidas	5,291	0.77
281,465	Bayer	15,620	2.29
106,603	Deutsche Boerse	12,949	1.90
457,914	Deutsche Post	10,611	1.55
1,082,085	RWE	28,885	4.23
257,603	Vonovia	10,731	1.57
Ireland (1.93%)		5,662	0.83
68,594	Paddy Power Betfair	5,662	0.83
Italy (7.63%)		73,414	10.75
5,228,732	Enel	34,066	4.99
2,604,037	FincoBank	21,252	3.11
2,569,941	Mediobanca	18,096	2.65

Holding	Investment	Market value £'000	Percentage of total net assets
Luxembourg (0.00%)		7,007	1.03
784,991	SES Global	7,007	1.03
Netherlands (12.10%)		53,350	7.81
202,990	Akzo Nobel	12,595	1.85
64,700	ASML	13,804	2.02
133,775	Koninklijke DSM	11,700	1.71
2,741,682	Koninklijke KPN	5,187	0.76
245,765	Unilever	10,064	1.47
Norway (5.53%)		34,825	5.10
661,660	DNB Bank	8,526	1.25
1,200,889	Mowi	19,614	2.87
538,839	Telenor	6,685	0.98
Spain (6.39%)		9,035	1.32
490,997	Bankinter	2,254	0.33
280,503	Inditex	6,781	0.99
Sweden (11.13%)		70,652	10.35
213,049	Atlas Copco 'A'	5,837	0.85
678,222	Lundin Petroleum	14,667	2.15
235,855	Swedish Match	10,620	1.56
1,892,647	Tele2	21,351	3.13
1,513,713	Volvo	18,177	2.66
Switzerland (11.56%)		100,693	14.75
267,932	Nestle	21,418	3.14
34,249	Partners	23,020	3.37
110,123	Roche	27,585	4.04
95,621	Zurich	28,670	4.20
Collective Investment Schemes (0.81%)		9,884	1.45
11,539	Aberdeen Standard Liquidity Fund (Lux) – Euro Fund+	9,884	1.45
Total investment assets		672,972	98.56
Net other assets		9,817	1.44
Total Net Assets		682,789	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	31,826	(107,118)
Revenue	4	30,094	39,848
Expenses	5	(6,334)	(8,156)
Interest payable and similar charges		(25)	(34)
Net revenue before taxation		23,735	31,658
Taxation	6	(2,261)	(2,948)
Net revenue after taxation		21,474	28,710
Total return before distributions		53,300	(78,408)
Distributions	7	(25,334)	(33,640)
Change in net assets attributable to shareholders from investment activities		27,966	(112,048)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	765,878	1,159,569
Amounts receivable on the issue of shares	75,197	17,885
Amounts payable on the cancellation of shares	(193,713)	(310,509)
	(118,516)	(292,624)
Dilution adjustment	57	475
Change in net assets attributable to shareholders from investment activities (see above)	27,966	(112,048)
Retained distribution on accumulation shares	7,404	10,506
Closing net assets attributable to shareholders	682,789	765,878

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		672,972	772,880
Current assets:			
Debtors	8	11,015	13,711
Cash and bank balances		2,058	1,334
		13,073	15,045
Total assets		686,045	787,925
Liabilities:			
Creditors	9	(1,419)	(18,607)
Bank overdrafts		(196)	(267)
Distribution payable		(1,641)	(3,173)
		(3,256)	(22,047)
Total liabilities		(3,256)	(22,047)
Net assets attributable to shareholders		682,789	765,878

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	31,541	(107,180)
Forward currency contracts	(8)	2
Other gains	316	93
Transaction charges	(23)	(33)
Net capital gains/(losses)	31,826	(107,118)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds and collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	–	3,490	–	24,515
Equities	335,363	314,106	469,550	548,641
Collective investment schemes	174,275	125,632	170,935	119,715
Corporate actions	–	–	1,418	4,808
Trades in the year before transaction costs	509,638	443,228	641,903	697,679
Commissions				
Equities	196	294	(289)	(398)
Total commissions	196	294	(289)	(398)
Taxes				
Equities	331	193	–	–
Total taxes	331	193	–	–
Total transaction costs	527	487	(289)	(398)
Total net trades in the year after transaction costs	510,165	443,715	641,614	697,281

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.07	0.06	0.06
Taxes				
Equities	0.10	0.04	–	–
Total transaction costs expressed as a percentage of net asset value				
Commissions			0.07	0.07
Taxes			0.04	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.06% (2019: 0.05%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	30,069	39,208
Taxable distributions on offshore funds	11	–
Interest on debt securities	–	636
Bank interest	14	4
Total revenue	30,094	39,848

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	5,524	7,136
Dealing charge	37	55
Registration fees	574	747
	6,135	7,938
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	67	81
Safe custody fee	74	118
	141	199
Other:		
Professional fees	49	10
Audit fee	9	9
	58	19
Total expenses	6,334	8,156

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	2,261	2,948
Total current tax	2,261	2,948
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	23,735	31,658
Corporation tax at 20% (2019: 20%)	4,747	6,332
Effects of:		
Revenue not subject to taxation	(6,014)	(7,842)
Overseas taxes	2,261	2,948
Excess allowable expenses	1,267	1,510
Total tax charge for year (note 6a)	2,261	2,948

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,451,000 (2019: £7,184,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	17,543	23,068
Second interim distribution	2,447	3,287
Third interim distribution	2,653	1,994
Final distribution	2,132	4,192
	24,775	32,541
Add: Income deducted on cancellation of shares	735	1,173
Deduct: Income received on issue of shares	(176)	(74)
Net distribution for the year	25,334	33,640
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	21,474	28,710
Annual ACD charge to capital	3,475	4,434
Registration fees taken from the capital account	366	470
Dealing charges taken from the capital account	19	26
Total distributions	25,334	33,640

8 Debtors

	2020 £'000	2019 £'000
Sales awaiting settlement	6,125	9,208
Accrued revenue	803	777
Foreign withholding tax recoverable	4,087	3,726
Total debtors	11,015	13,711

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	881	4,593
Purchases awaiting settlement	–	13,475
Accrued expenses payable to ACD	486	497
Accrued expenses payable to the Depositary or associates of the Depositary	40	28
Other accrued expenses	12	–
Corporation tax payable	–	14
Total creditors	1,419	18,607

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	7,119,360	556,211	(1,481,831)	(146,976)	6,046,764
Institutional accumulation	154,677,587	44,492,471	(29,781,164)	77,221	169,466,115
Retail income	2,160,145	61,065	(441,556)	(350,026)	1,429,628
Institutional income	529,094,088	9,844,050	(132,765,753)	193,546	406,365,931
Standard Life income	11,770,889	–	(702,529)	–	11,068,360
Standard Life accumulation	749,863	22,958	(79,005)	–	693,816
Platform 1 accumulation	42,692,928	1,110,259	(12,735,467)	81,548	31,149,268
Platform 1 income	54,973,232	1,344,516	(15,813,925)	155,382	40,659,205
Institutional S accumulation	200	1,136	–	–	1,336
Institutional S income	200	1,437	–	–	1,637

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	663,088	–	–	766,701	–	–
Collective Investment Schemes	–	9,884	–	–	6,179	–
Total investment assets	663,088	9,884	–	766,701	6,179	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £33,649,000 (2019: £38,644,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £34,302,000 (2019: £38,722,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate effect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Danish Krone	48,120	84,477
Euro	429,654	471,269
Norwegian Krone	35,649	42,538
Swedish Krona	71,928	86,611
Swiss Franc	100,693	89,554

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/ (liabilities) £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	(196)	(3,059)	(3,255)
Danish Krone	342	47,778	48,120
Euro	10,320	419,334	429,654
Norwegian Krone	565	35,084	35,649
Swedish Krona	715	71,213	71,928
Swiss Franc	-	100,693	100,693
2019			
Currency			
UK Sterling	(266)	(8,305)	(8,571)
Danish Krone	-	84,477	84,477
Euro	7,512	463,757	471,269
Norwegian Krone	-	42,538	42,538
Swedish Krona	-	86,611	86,611
Swiss Franc	-	89,554	89,554

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional S Accumulation' was 76.12p. The Net Asset Value of share class 'Institutional S Accumulation' as at 12 noon on 17 June 2020 was 80.29p. This represents an increase of 5.48% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	2.6197	-	2.6197*	2.5320
Group 2	1.2310	1.3887	2.6197*	2.5320
Institutional accumulation				
Group 1	2.9434	-	2.9434*	2.8417
Group 2	1.5654	1.3780	2.9434*	2.8417
Retail income				
Group 1	2.0301	-	2.0301**	2.0539
Group 2	1.7809	0.2492	2.0301**	2.0539
Institutional income				
Group 1	2.1664	-	2.1664**	2.1812
Group 2	1.4265	0.7399	2.1664**	2.1812
Standard Life income				
Group 1	2.3540	-	2.3540**	2.3461
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	3.4261	-	3.4261*	3.3032
Group 2	2.8093	0.6168	3.4261*	3.3032
Platform 1 accumulation				
Group 1	2.1813	-	2.1813*	2.1066
Group 2	1.3675	0.8138	2.1813*	2.1066
Platform 1 income				
Group 1	1.8701	-	1.8701**	1.8842
Group 2	0.9653	0.9048	1.8701**	1.8842
Institutional S accumulation				
Group 1	1.7000	-	1.7000*	1.6463
Group 2	-	-	-	-
Institutional S income				
Group 1	1.4250	-	1.4250**	1.4600
Group 2	-	-	-	-

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1207	-	0.1207*	0.1124
Group 2	0.0018	0.1189	0.1207*	0.1124
Institutional accumulation				
Group 1	0.2950	-	0.2950*	0.2744
Group 2	0.0299	0.2651	0.2950*	0.2744
Retail income				
Group 1	0.3618	-	0.3618**	0.3745
Group 2	0.0469	0.3149	0.3618**	0.3745
Institutional income				
Group 1	0.3865	-	0.3865**	0.3990
Group 2	0.1668	0.2197	0.3865**	0.3990
Standard Life income				
Group 1	0.4206	-	0.4206**	0.4271
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.6022	-	0.6022*	0.5930
Group 2	0.3446	0.2576	0.6022*	0.5930
Platform 1 accumulation				
Group 1	0.2068	-	0.2068*	0.1939
Group 2	0.0261	0.1807	0.2068*	0.1939
Platform 1 income				
Group 1	0.3335	-	0.3335**	0.3420
Group 2	0.1211	0.2124	0.3335**	0.3420
Institutional S accumulation				
Group 1	0.2550	-	0.2550*	0.2659
Group 2	-	-	-	-
Institutional S income				
Group 1	0.2500	-	0.2500**	0.2636
Group 2	-	-	-	-

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1833	-	0.1833*	-
Group 2	0.0899	0.0934	0.1833*	-
Institutional accumulation				
Group 1	0.3679	-	0.3679*	0.1260
Group 2	0.0705	0.2974	0.3679*	0.1260
Retail income				
Group 1	0.4067	-	0.4067**	0.2575
Group 2	0.2704	0.1363	0.4067**	0.2575
Institutional income				
Group 1	0.4344	-	0.4344**	0.2741
Group 2	0.2352	0.1992	0.4344**	0.2741
Standard Life income				
Group 1	0.4737	-	0.4737**	0.2974
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.6845	-	0.6845*	0.4027
Group 2	0.4603	0.2242	0.6845*	0.4027
Platform 1 accumulation				
Group 1	0.2599	-	0.2599*	0.0814
Group 2	0.1379	0.1220	0.2599*	0.0814
Platform 1 income				
Group 1	0.3749	-	0.3749**	0.2366
Group 2	0.1895	0.1854	0.3749**	0.2366
Institutional S accumulation				
Group 1	0.2469	-	0.2469*	0.0800
Group 2	0.1569	0.0900	0.2469*	-
Institutional S income				
Group 1	0.2901	-	0.2901**	0.2600
Group 2	0.1901	0.1000	0.2901**	-

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.0717	-	0.0717*	0.3305
Group 2	0.0715	0.0002	0.0717*	0.3305
Institutional accumulation				
Group 1	0.2531	-	0.2531*	0.5332
Group 2	0.2506	0.0025	0.2531*	0.5332
Retail income				
Group 1	0.3368	-	0.3368**	0.5033
Group 2	0.1877	0.1491	0.3368**	0.5033
Institutional income				
Group 1	0.3607	-	0.3607**	0.5365
Group 2	0.1976	0.1631	0.3607**	0.5365
Standard Life income				
Group 1	0.3943	-	0.3943**	0.5828
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.5663	-	0.5663*	0.8220
Group 2	0.5252	0.0411	0.5663*	0.8220
Platform 1 accumulation				
Group 1	0.1722	-	0.1722*	0.3856
Group 2	0.1060	0.0662	0.1722*	0.3856
Platform 1 income				
Group 1	0.3112	-	0.3112**	0.4633
Group 2	0.1141	0.1971	0.3112**	0.4633
Institutional S accumulation				
Group 1	0.1758	-	0.1758*	0.2150
Group 2	-	-	-	-
Institutional S income				
Group 1	0.2412	-	0.2412**	0.7300
Group 2	-	-	-	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Europe ex UK Smaller Companies Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in European smaller capitalisation equities (company shares).

Performance Target: To achieve the return of the EMIX Smaller European Companies ex UK Index, plus 3% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of small-capitalisation companies listed, incorporated or domiciled in European countries, or companies that derive a significant proportion of their revenues or profits from European operations or have a significant proportion of their assets there.
- European countries includes the emerging markets of Europe, but excludes the UK.
- Smaller capitalisation companies are defined as any stock included in the EMIX Smaller European Companies ex UK Index or, if not included within the index any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The Fund may also invest in mid and larger capitalisation companies listed, incorporated or domiciled in European countries.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the EMIX Smaller European Companies ex UK Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the investment process, the Fund's performance profile may deviate significantly from that of the EMIX Smaller European Companies ex UK Index.

Please note: The Fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the Fund may not be able to sell their investment when they want to.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 5.0%. This compared to a return of 8.9% for our performance target (the EMIX Smaller European Companies ex UK Index +3%).

Detracting from returns was Italian online banking business Fincobank. Its shares dropped following the disposal of a large holding by its biggest shareholder, the Italian lender Unicredit. Despite this, there is no change to the underlying fundamentals of the business and its growth outlook. We continue to like the strategy of online growth where legacy players continue to underinvest in this area. Perfume manufacturer Interparfums was adversely affected by global growth concerns from the coronavirus. While short-term sales will suffer, the company reassured us when it said there was no change to its medium-term investment plans. Komax suffered because of its exposure to the auto industry.

French relationship-management business Teleperformance provided strong relative returns. The business is seeing higher growth and improved operating margin. We expect Teleperformance to continue to exceed investor expectations as it shifts its business mix towards higher valued-added areas. Finnish retailer Kesko was another key contributor to returns. The company posted strong results, with the core food-retail division doing well, supported by recent acquisitions in the building and technical trade business. German software developer Nemetschek also performed well. The business released results that confirmed trading is running ahead of expectations. Nemetschek is benefiting from structural changes in its end markets, as architects and construction companies make greater use of software to manage project risks.

Activity

Early in the review period, we added to the holding in German branded pharmaceuticals company Dermapharm after it posted good results. While the business's existing pipeline of products offers high growth potential, we believed consensus was not properly factoring this into future forecasts. Borregaard was topped up following a positive meeting with management. The Norwegian specialty chemicals company is the global market leader in making Lignin, an environmentally friendly alternative to oil-based chemicals used in binding and dispersion applications. We topped up our holding in Bachem. The Swiss specialty pharmaceutical business is a global market leader in the outsourced manufacture of peptides, and the business is expanding capacity in a growth area. The accelerated earnings growth we expect has not been factored into investor forecasts.

In terms of sales, we reduced Nemetschek. This was a risk-control measure, as the position had risen to more than 5% of the Fund. However, there is no change to the investment case. We also lowered holdings in Kesko and Teleperformance. This was more about resizing each position after strong performance. The investment case for both companies remains intact. We also cut doValue's position size. We have concerns over the Italian specialist loan manager's longer-term growth objectives.

Outlook

Investor nervousness around coronavirus has heightened significantly. The recent equity market sell-off has been fairly indiscriminate, with investors not differentiating between low- and high-quality companies. We would expect this to change if the outbreak becomes more protracted. We feel comfortable retaining our positioning towards higher-quality companies with good long-term growth prospects.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

	2020 pence per share	2019 pence per share	2018 pence per share
Retail accumulation			
Change in net assets per share			
Opening net asset value per share	272.58	291.08	244.11
Return before operating charges*	17.11	(14.57)	50.84
Operating charges	(4.04)	(3.93)	(3.87)
Return after operating charges*	13.07	(18.50)	46.97
Distributions	(2.99)	(2.74)	(2.80)
Retained distributions on accumulation shares	2.99	2.74	2.80
Closing net asset value per share	285.65	272.58	291.08
 * after direct transaction costs of:	 0.15	 0.12	 0.16
Performance			
Return after charges	4.79%	(6.36%)	19.24%
Other information			
Closing net asset value (£'000)	5,387	5,775	6,511
Closing number of shares	1,885,744	2,118,604	2,236,689
Operating charges	1.38%	1.37%	1.38%
Direct transaction costs	0.05%	0.04%	0.06%
Prices			
Highest share price	315.4	317.4	304.5
Lowest share price	275.0	246.4	247.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	74.83	79.53	66.38
Return before operating charges*	4.67	(3.99)	13.85
Operating charges	(0.73)	(0.71)	(0.70)
Return after operating charges*	3.94	(4.70)	13.15
Distributions	(1.01)	(0.94)	(0.94)
Retained distributions on accumulation shares	1.01	0.94	0.94
Closing net asset value per share	78.77	74.83	79.53
 * after direct transaction costs of:	 0.04	 0.03	 0.04
Performance			
Return after charges	5.27%	(5.91%)	19.81%
Other information			
Closing net asset value (£'000)	2,087	12,859	17,005
Closing number of shares	2,649,094	17,184,305	21,382,004
Operating charges	0.91%	0.90%	0.91%
Direct transaction costs	0.05%	0.04%	0.06%
Prices			
Highest share price	86.98	86.94	83.16
Lowest share price	75.50	67.58	67.23

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	76.76	80.98	67.09
Return before operating charges*	4.80	(4.10)	14.02
Operating charges	(0.13)	(0.12)	(0.13)
Return after operating charges*	4.67	(4.22)	13.89
Distributions	(1.51)	(1.31)	(1.31)
Retained distributions on accumulation shares	1.51	1.31	1.31
Closing net asset value per share	81.43	76.76	80.98
 * after direct transaction costs of:	 0.04	 0.03	 0.04
Performance			
Return after charges	6.08%	(5.21%)	20.70%
Other information			
Closing net asset value (£'000)	859	712	752
Closing number of shares	1,055,005	926,978	929,088
Operating charges	0.16%	0.15%	0.16%
Direct transaction costs	0.05%	0.04%	0.06%
Prices			
Highest share price	89.89	88.85	84.62
Lowest share price	77.46	69.23	68.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	293.64	312.25	260.77
Return before operating charges*	18.39	(15.68)	54.37
Operating charges	(3.03)	(2.93)	(2.89)
Return after operating charges*	15.36	(18.61)	51.48
Distributions	(3.88)	(3.62)	(3.60)
Retained distributions on accumulation shares	3.88	3.62	3.60
Closing net asset value per share	309.00	293.64	312.25
 * after direct transaction costs of:	 0.16	 0.13	 0.17
Performance			
Return after charges	5.23%	(5.96%)	19.74%
Other information			
Closing net asset value (£'000)	26,316	32,685	37,775
Closing number of shares	8,516,771	11,131,197	12,097,728
Operating charges	0.96%	0.95%	0.96%
Direct transaction costs	0.05%	0.04%	0.06%
Prices			
Highest share price	341.2	341.2	326.5
Lowest share price	296.3	265.2	264.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
European Equities (96.11%)		34,085	98.37
Belgium (0.00%)		196	0.57
12,000	Fagron	196	0.57
Denmark (3.70%)		1,782	5.14
24,138	SimCorp A/S	1,782	5.14
Finland (5.80%)		1,724	4.98
32,558	Kesko	1,724	4.98
France (19.54%)		6,569	18.96
9,530	Eurazeo	497	1.43
51,714	Interparfums	1,374	3.97
11,715	LISI	280	0.81
20,745	Nexity	743	2.14
16,942	ORPEA	1,697	4.90
10,473	Teleperformance	1,978	5.71
Germany (29.60%)		11,499	33.19
1,035	Amadeus Fire	112	0.32
3,069	Cewe Stiftung & Co	252	0.73
13,265	CTS Eventim	544	1.57
57,732	Dermapharm	1,875	5.41
11,145	Grenke	801	2.31
19,827	Jungheinrich	306	0.88
17,207	Nemetschek	831	2.40
884	New Work	184	0.53
13,440	NORMA	343	0.99
25,398	OHB	757	2.19
83,057	PATRIZIA Immobilien	1,487	4.29
3,158	Rational	1,649	4.76
5,705	Sixt	384	1.11
35,674	Takkt	348	1.01
63,012	VIB Vermoegen	1,626	4.69
Ireland (6.17%)		2,313	6.67
1,564,505	Hibernia REIT	1,633	4.71
121,281	Irish Continental	404	1.16
114,808	Origin Enterprises	276	0.80

Holding	Investment	Market value £'000	Percentage of total net assets
Italy (15.81%)		3,580	10.33
177,975	FinecoBank	1,452	4.19
6,467	IMA	312	0.90
64,203	Interpump	1,508	4.35
21,370	MARR	308	0.89
Luxembourg (0.80%)		400	1.15
9,604	Stabilus	400	1.15
Netherlands (3.85%)		721	2.08
25,507	Corbion	721	2.08
Norway (1.31%)		416	1.20
50,544	Borregaard	416	1.20
Spain (1.92%)		1,265	3.65
51,241	Almirall	520	1.50
22,129	CIE Automotive	347	1.00
37,042	Fluidra	398	1.15
Sweden (3.99%)		2,051	5.92
60,977	Bulten	332	0.96
175,953	Troax	1,719	4.96
Switzerland (3.62%)		1,569	4.53
8,490	Bachem	1,132	3.27
2,948	Komax	437	1.26
Collective Investment Schemes (4.17%)		608	1.76
608	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	608	1.76
Total investment assets		34,693	100.13
Net other liabilities		(44)	(0.13)
Total Net Assets		34,649	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	2,738	(4,439)
Revenue	4	1,080	1,201
Expenses	5	(454)	(565)
Interest payable and similar charges		(1)	(1)
Net revenue before taxation		625	635
Taxation	6	(75)	(110)
Net revenue after taxation		550	525
Total return before distributions		3,288	(3,914)
Distributions	7	(644)	(724)
Change in net assets attributable to shareholders from investment activities		2,644	(4,638)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	52,031	62,043
Amounts receivable on the issue of shares	1,769	5,708
Amounts payable on the cancellation of shares	(22,390)	(11,786)
	(20,621)	(6,078)
Dilution adjustment	15	(2)
Change in net assets attributable to shareholders from investment activities (see above)	2,644	(4,638)
Retained distribution on accumulation shares	580	706
Closing net assets attributable to shareholders	34,649	52,031

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		34,693	52,179
Current assets:			
Debtors	8	87	121
Cash and bank balances		2	52
		89	173
Total assets		34,782	52,352
Liabilities:			
Creditors	9	(133)	(321)
		(133)	(321)
Total liabilities		(133)	(321)
Net assets attributable to shareholders		34,649	52,031

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	2,738	(4,402)
Other gains/(losses)	15	(20)
Transaction charges	(15)	(17)
Net capital gains/(losses)	2,738	(4,439)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	2,770	6,866	21,431	11,129
Collective investment schemes	15,336	16,579	16,923	16,743
Trades in the year before transaction costs	18,106	23,445	38,354	27,872
Commissions				
Equities	3	6	(20)	(12)
Total commissions	3	6	(20)	(12)
Taxes				
Equities	–	8	–	–
Total taxes	–	8	–	–
Total transaction costs	3	14	(20)	(12)
Total net trades in the year after transaction costs	18,109	23,459	38,334	27,860

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.10	0.09	0.09	0.11
Taxes				
Equities	0.00	0.12	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.05	0.03
Taxes	–	0.01

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.24% (2019: 0.21%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	1,071	1,188
Taxable distributions on offshore funds	9	3
Bank interest	–	10
Total revenue	1,080	1,201

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	383	478
Dealing charge	15	18
Registration fees	33	43
	431	539
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	8	12
Safe custody fee	4	5
	12	17
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	454	565

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	75	110
Total current tax	75	110
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	625	635
Corporation tax at 20% (2019: 20%)	125	127
Effects of:		
Revenue not subject to taxation	(214)	(238)
Overseas taxes	75	110
Excess allowable expenses	89	111
Total tax charge for year (note 6a)	75	110

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £411,000 (2019: £322,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	578	706
Final distribution	2	–
	580	706
Add: Income deducted on cancellation of shares	72	41
Deduct: Income received on issue of shares	(8)	(23)
Net distribution for the year	644	724
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	550	525
Shortfall transfer from capital to revenue	94	199
Total distributions	644	724

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	18	34
Accrued revenue	1	–
Foreign withholding tax recoverable	68	87
Total debtors	87	121

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	93	55
Purchases awaiting settlement	–	217
Accrued expenses payable to ACD	28	36
Other accrued expenses	12	11
Accrued Expenses payable to the Depository	–	2
Total creditors	133	321

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	2,118,604	33,765	(264,749)	(1,876)	1,885,744
Institutional accumulation	17,184,305	69,837	(14,605,048)	–	2,649,094
Standard Life accumulation	926,978	290,654	(155,678)	(6,949)	1,055,005
Platform 1 accumulation	11,131,197	428,889	(3,046,882)	3,567	8,516,771

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	34,085	–	–	50,007	–	–
Collective Investment Schemes	–	608	–	–	2,172	–
Total investment assets	34,085	608	–	50,007	2,172	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £1,735,000 (2019: £2,609,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £1,708,000 (2019: £2,518,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Danish Krone	1,787	1,926
Euro	28,319	43,724
Norwegian Krone	426	696
Swedish Krona	2,052	2,093
Swiss Franc	1,569	1,913

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	610	(114)	496
Danish Krone	–	1,787	1,787
Euro	–	28,319	28,319
Norwegian Krone	–	426	426
Swedish Krona	–	2,052	2,052
Swiss Franc	–	1,569	1,569
2019			
Currency			
UK Sterling	1,749	(70)	1,679
Danish Krone	–	1,926	1,926
Euro	426	43,298	43,724
Norwegian Krone	–	696	696
Swedish Krona	16	2,077	2,093
Swiss Franc	33	1,880	1,913

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 78.77p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 83.12p. This represents an increase of 5.53% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	2.9924	-	2.9924*	2.7424
Group 2	1.2896	1.7028	2.9924*	2.7424
Institutional accumulation				
Group 1	1.0103	-	1.0103*	0.9416
Group 2	0.4761	0.5342	1.0103*	0.9416
Standard Life accumulation				
Group 1	1.3464	-	1.3464*	1.2734
Group 2	0.9423	0.4041	1.3464*	1.2734
Platform 1 accumulation				
Group 1	3.8792	-	3.8792*	3.6180
Group 2	1.6539	2.2253	3.8792*	3.6180

* Distribution accumulated on 31 August 2019

For the six months ended 29 February 2020

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Institutional accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.1675	-	0.1675*	0.0412
Group 2	0.0131	0.1544	0.1675*	0.0412
Platform 1 accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-

* Distribution accumulated on 29 February 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Global Balanced Growth Fund

Investment objective

The objective of the Fund is to generate growth over the long term (5 years or more) by investing in a diversified portfolio of assets.

Performance Target: To exceed the IA Mixed Investment 40-85% Shares Sector Average return (after charges) over 1 year and to be top quartile over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the sector.

Investment policy

Portfolio Securities:

- The Fund will invest least 70% in global equities, corporate investment grade bonds and government bonds issued anywhere in the world either directly or indirectly.
- The Fund may hold other securities (e.g. investment trusts, supranational and other types of bonds, and listed real estate) issued anywhere in the world.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to select individual holdings depending on their growth prospects and/or creditworthiness relative to market expectations, given future economic and business conditions.
- Asset allocation is informed by reference to a basket of assets aligned to the Fund's objective and considered representative of the expected risk profile of typical funds in the sector. In addition, short term proportions ("tactical asset allocations") in each asset class may be adjusted at any time with the aim of improving returns.
- The Fund will be subject to constraints which are intended to manage risk such as the Fund must not hold more than 85% of its assets in equities. The constraints may vary over time, and due to the active nature of the management process the Fund's performance profile may deviate significantly from that of the average fund of the IA Mixed Investment 40-85% Shares Sector Average.

Derivatives and Techniques:

- The Fund will make routine use of derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").

- Derivatives include instruments used to express short term views reflecting expected changes in interest rates, companies share prices, inflation, currencies or creditworthiness of corporations or governments.

- The Fund may also invest in other funds which may use derivatives extensively although these investments shall be in line with Fund's overall risk profile.

Performance

Over the period under review, the Fund returned 5.91%. This compared to a return of 4.97% for our performance target (IA Mixed Investment 40-85% Shares Sector Average).

Equity portfolios

In the UK, office services provider IWG performed well, following the franchising of its Japanese businesses. Online retailer Boohoo benefited from better-than-expected results and news it had acquired prestigious high-street brands Karen Millen and Coast. Shares in pub group Ei rose after it was acquired by private equity firm Stonegate. Meanwhile, shares in NMC Health slumped and were then suspended following allegations of financial fraud. Energy firm Cairn was hurt by falling oil prices, while an ongoing US Department of Justice indictment overshadowed pharmaceutical firm Indivior.

In the US portfolio, Microsoft ranked among the top performers, with robust sales of Office 365 and the Azure cloud business boosting profitability. Energy company Nextera delivered continued growth in both renewables and in its regulated utility, Florida Power and Light. Additionally, synergies from the acquisition of Gulf Power beat expectations. Our avoidance of Exxon proved beneficial, as oil-related stocks slumped in tandem with oil prices. However, by the same token, our position in Chevron delivered a negative return. Shares in discount store Dollar Tree fell, as its integration of Family Dollar dragged on, disappointing investors. United Parcel Service continued to lose share in its high-margin air freight operations, which weighed on profit margins and pushed the shares lower.

In the European equity portfolio, accelerating sales of logic chips helped offset weak demand for memory chips, boosting semiconductor equipment firm ASML. Financial services technology provider Hypoport benefited from market share gains and accelerating growth. Our off-benchmark holding of Danish wound-care company Coloplast was also rewarded. The main negative contributors included Ryanair which was hit by Brexit uncertainty and, more recently, by travel restrictions stemming from coronavirus. Trade war uncertainty hit components supplier Cie Automotive, while our off-benchmark holding of telecoms and media company Millicom also lost ground.

Government bond portfolio

Performance from the government bond portfolio was strongly positive. Early in the year, our long positions in Australian and US government bonds delivered healthy returns as global bond markets rallied (yields fell). This followed a shift in stance by the US Federal Reserve, suggesting an end to its rate-hiking cycle and room for further stimulus.

Through the summer, global bond yields collapsed amid the escalating US-China trade war. This hurt our short position in German government bonds. Towards the end of the review period, fears of coronavirus swept through global markets, sparking fresh buying of government bonds. Having increased our exposure to the asset class at this time, we benefited from the rally and Fund performance recovered. Our long position in Canadian bonds delivered strong returns, while US and UK bonds also performed well.

In the UK, the government is opening the fiscal spending taps in response to the dire economic situation and Brexit risks. The Bank of England has slashed rates and stands ready to do more. For us, the threat to bond valuations from the government's response is increasing. However, extraordinary monetary support from central banks will contain any rise in bond yields.

Activity

In the UK portfolio, we increased our holding of Glaxo. The company's new management team is separating out the company's consumer health business, which should unlock value for shareholders. Similarly, we bought healthcare company Convatec. Poorly managed in the past, we believe it can be turned around by its new management team. We started a new holding in bus and rail operator Stagecoach as we believe it will be a main player in the consolidating UK bus market. We sold RPC, following its agreed takeover by Berry Global. Other sales included independent broadcaster ITV, reflecting ongoing structural concerns about changing television viewing habits and competitive pressures. We sold our position in property company CLS. After strong performance, its valuation was less attractive.

In the US, we bought Allison Transmission Holdings. The company has shown good margin control, as earnings trough and stabilise, and orders will eventually recover. We added financial technology provider Fiserve, as we see upside to its First Data acquisition synergies. Also, the need for banks to improve their technology platforms and services will drive growth. We bought Verizon, as we believe opportunities from 5G are not fully reflected in valuations. The shares pay a 4% dividend yield. Sales included oil company Anadarko, as we grew concerned about regulatory risk in Colorado and mounting pressure from the anti-fracking movement. We exited pharmaceutical company Allergan, taking profits. The shares had rallied strongly following a bid. We also sold thermal imaging company Flir Systems, on concerns that its defense business was not large enough to offset the persistent challenges in the industrial business.

In Europe, we bought rail transport company Alstom which we believe offers potential for improved profit margins and returns of cash to shareholders. We bought smokeless tobacco manufacturer Swedish Match. Regulatory headwinds had depressed its share price to levels we considered cheap given the company's longer-term growth potential. We also added a position in energy company RWE, where we believe concerns about coal are overdone and the rebalance towards renewables is underappreciated. We sold autos supplier Plastic Omnium as our conviction in its return potential had diminished. We reduced our holding of staples company Essity. After performing well, the shares looked less attractive relative to peers. We sold Ryanair on grounds of its vulnerability to Brexit and to coronavirus containment measures.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 4 because of the extent to which the following risk factors apply:

- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund’s ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	167.38	170.99	161.12
Return before operating charges*	11.64	(1.86)	11.62
Operating charges	(1.90)	(1.75)	(1.75)
Return after operating charges*	9.74	(3.61)	9.87
Distributions	(2.04)	(2.35)	(1.77)
Retained distributions on accumulation shares	2.04	2.35	1.77
Closing net asset value per share	177.12	167.38	170.99
 * after direct transaction costs of:	 0.08	 0.08	 0.20
Performance			
Return after charges	5.82%	(2.11%)	6.13%
Other information			
Closing net asset value (£'000)	312,938	314,917	343,182
Closing number of shares	176,682,881	188,142,906	200,707,517
Operating charges	1.05%	1.02%	1.03%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	191.5	181.4	178.9
Lowest share price	168.3	158.5	160.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	187.70	190.94	179.17
Return before operating charges*	13.03	(2.08)	12.93
Operating charges	(1.28)	(1.16)	(1.16)
Return after operating charges*	11.75	(3.24)	11.77
Distributions	(3.14)	(3.43)	(2.76)
Retained distributions on accumulation shares	3.14	3.43	2.76
Closing net asset value per share	199.45	187.70	190.94
 * after direct transaction costs of:	 0.09	 0.09	 0.22
Performance			
Return after charges	6.26%	(1.70%)	6.57%
Other information			
Closing net asset value (£'000)	26,264	24,949	26,616
Closing number of shares	13,167,897	13,291,799	13,939,416
Operating charges	0.63%	0.60%	0.61%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	215.6	203.0	199.6
Lowest share price	188.8	177.6	178.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	109.53	113.40	107.97
Return before operating charges*	7.63	(1.16)	7.78
Operating charges	(1.24)	(1.16)	(1.17)
Return after operating charges*	6.39	(2.32)	6.61
Distributions	(1.33)	(1.55)	(1.18)
Closing net asset value per share	114.59	109.53	113.40
 * after direct transaction costs of:	 0.05	 0.05	 0.13
Performance			
Return after charges	5.83%	(2.05%)	6.12%
Other information			
Closing net asset value (£'000)	1,697	1,588	1,626
Closing number of shares	1,480,510	1,450,215	1,434,162
Operating charges	1.05%	1.02%	1.03%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	124.4	120.3	119.0
Lowest share price	110.1	104.2	107.4

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	107.94	111.76	106.40
Return before operating charges*	7.52	(1.15)	7.69
Operating charges	(0.73)	(0.67)	(0.69)
Return after operating charges*	6.79	(1.82)	7.00
Distributions	(1.80)	(2.00)	(1.64)
Closing net asset value per share	112.93	107.94	111.76
 * after direct transaction costs of:	 0.05	 0.05	 0.13
Performance			
Return after charges	6.29%	(1.63%)	6.58%
Other information			
Closing net asset value (£'000)	677	674	570
Closing number of shares	599,876	624,600	509,755
Operating charges	0.63%	0.60%	0.61%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	122.8	118.8	117.5
Lowest share price	108.6	102.9	105.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail CAT accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	126.60	129.30	121.81
Return before operating charges*	8.76	(1.40)	8.78
Operating charges	(1.36)	(1.30)	(1.29)
Return after operating charges*	7.40	(2.70)	7.49
Distributions	(1.57)	(1.80)	(1.37)
Retained distributions on accumulation shares	1.57	1.80	1.37
Closing net asset value per share	134.00	126.60	129.30
 * after direct transaction costs of:	 0.06	 0.06	 0.15
Performance			
Return after charges	5.85%	(2.09%)	6.15%
 Other information			
Closing net asset value (£'000)	177,685	179,691	193,732
Closing number of shares	132,602,927	141,937,179	149,834,853
Operating charges	1.00%	1.00%	1.01%
Direct transaction costs	0.04%	0.05%	0.12%
 Prices			
Highest share price	144.9	137.2	135.3
Lowest share price	127.3	119.9	121.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	78.57	79.60	74.36
Return before operating charges*	5.40	(0.95)	5.33
Operating charges	(0.11)	(0.08)	(0.09)
Return after operating charges*	5.29	(1.03)	5.24
Distributions	(1.69)	(1.77)	(1.50)
Retained distributions on accumulation shares	1.69	1.77	1.50
Closing net asset value per share	83.86	78.57	79.60
 * after direct transaction costs of:	 0.04	 0.04	 0.09
Performance			
Return after charges	6.73%	(1.29%)	7.05%
Other information			
Closing net asset value (£'000)	2,236	2,241	2,368
Closing number of shares	2,666,098	2,852,501	2,975,576
Operating charges	0.13%	0.10%	0.11%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	90.63	84.80	83.18
Lowest share price	79.03	74.29	73.97

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	88.67	90.24	84.72
Return before operating charges*	6.15	(0.98)	6.11
Operating charges	(0.65)	(0.59)	(0.59)
Return after operating charges*	5.50	(1.57)	5.52
Distributions	(1.44)	(1.58)	(1.26)
Retained distributions on accumulation shares	1.44	1.58	1.26
Closing net asset value per share	94.17	88.67	90.24
 * after direct transaction costs of:	 0.04	 0.04	 0.10
Performance			
Return after charges	6.20%	(1.74%)	6.52%
Other information			
Closing net asset value (£'000)	16,590	14,737	14,297
Closing number of shares	17,618,030	16,620,905	15,842,864
Operating charges	0.68%	0.65%	0.66%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	101.8	95.93	94.36
Lowest share price	89.17	83.91	84.27

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	79.15	81.95	78.02
Return before operating charges*	5.52	(0.84)	5.63
Operating charges	(0.58)	(0.53)	(0.54)
Return after operating charges*	4.94	(1.37)	5.09
Distributions	(1.28)	(1.43)	(1.16)
Closing net asset value per share	82.81	79.15	81.95
 * after direct transaction costs of:	 0.04	 0.04	 0.10
Performance			
Return after charges	6.24%	(1.67%)	6.52%
Other information			
Closing net asset value (£'000)	1,175	1,345	1,238
Closing number of shares	1,419,361	1,698,647	1,510,487
Operating charges	0.68%	0.65%	0.66%
Direct transaction costs	0.04%	0.05%	0.12%
Prices			
Highest share price	90.05	87.11	86.14
Lowest share price	79.60	75.42	77.65

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (10.70%)		59,510	11.05
Euro Denominated Bonds (0.05%)		174	0.03
Corporate Bonds (0.05%)		174	0.03
less than 5 years to maturity			
100,000	Standard Chartered 0.75% fixed to floating 2023	87	0.01
greater than 25 years to maturity			
100,000	Channel Link Enterprises Finance 1.761% fixed to floating 2050	87	0.02
Sterling Denominated Bonds (8.72%)		40,835	7.58
Corporate Bonds (4.16%)		14,258	2.63
less than 5 years to maturity			
100,000	Banque Federative du Credit Mutuel 1.75% 2024	102	0.02
100,000	British American Tobacco 6% 2022	111	0.02
100,000	British Sky Broadcasting 2.875% 2020	101	0.02
100,000	Citigroup 5.875% 2024	118	0.02
100,000	Credit Agricole 7.375% 2023	121	0.02
100,000	Deutsche Bank 2.625% 2024	102	0.02
110,000	Enel 5.625% 2024	130	0.03
100,000	First Abu Dhabi Bank 1.375% 2023	100	0.02
100,000	First Hydro 9% 2021	110	0.02
100,000	General Electric 6.25% 2020	103	0.02
100,000	Global Switch 4.375% 2022	108	0.02
100,000	Heathrow Funding 7.125% 2024	121	0.02
70,000	Imperial Brands 8.125% 2024	87	0.02
100,000	Intesa Sanpaolo 5.25% 2022	107	0.02
200,000	Intu (SGS) Finance 4.125% 2023	179	0.03
142,000	KFW 1.125% 2021	143	0.03
100,000	National Australia Bank 1.375% 2022	101	0.02
221,000	Network Rail 4.75% 2024	255	0.05
150,000	New York Life Global Funding 1% 2021	150	0.03
100,000	SGSP Australia Assets 5.125% 2021	104	0.02
100,000	Volkswagen Financial Services 1.625% 2022	100	0.02
100,000	Volkswagen Financial Services 1.875% 2024	100	0.02
between 5 and 10 years to maturity			
100,000	Abertis Infraestructuras 3.375% 2026	106	0.02
150,000	ABP 6.25% 2026	187	0.04
120,000	Anheuser-Busch InBev 2.25% 2029	125	0.02
100,000	Bank of America 7% 2028	141	0.03
100,000	Barclays 3% 2026	105	0.02
100,000	Bazalgette Finance 2.375% 2027	108	0.02
100,000	BNP Paribas 3.375% 2026	109	0.02
100,000	BPCE 5.25% 2029	125	0.02

Holding	Investment	Market value £'000	Percentage of total net assets
100,000	Citigroup 1.75% 2026	101	0.02
100,000	Clydesdale Bank 4.625% 2026	122	0.02
100,000	CPUK 3.588% 2025	108	0.02
100,000	HSBC 2.625% 2028	106	0.02
100,000	Lloyds Bank 4.875% 2027	126	0.02
60,000	Lloyds Bank 7.625% 2025	77	0.01
100,000	Rabobank 4.625% 2029	121	0.02
100,000	Santander UK 5.75% 2026	128	0.02
110,000	Santander UK Group 3.625% 2026	120	0.02
100,000	Scentre Management 3.875% 2026	112	0.02
100,000	Shaftesbury Chinatown 2.348% 2027	103	0.02
87,000	Southern Gas Networks 4.875% 2029	112	0.02
100,000	Stagecoach Group 4% 2025	108	0.02
100,000	Telefonica Emisiones 5.445% 2029	131	0.03
100,000	Tritax Big Box REIT 2.625% 2026	105	0.02
119,000	Unite Group 3.5% 2028	132	0.02
89,000	United Utilities 5.625% 2027	118	0.02
100,000	Welltower 4.8% 2028	121	0.02
100,000	Westfield America Management 2.125% 2025	103	0.02
100,000	Westfield Stratford City Finance 1.642% 2026	103	0.02
50,000	Yorkshire Power 7.25% 2028	73	0.01
between 10 and 15 years to maturity			
100,000	Annington Funding 3.685% 2034	115	0.02
100,000	APT Pipelines 3.5% 2030	112	0.02
100,000	Arqiva 4.882% 2032	100	0.02
110,000	Barclays 3.25% 2033	116	0.02
100,000	Broadgate Financing 4.851% 2033	132	0.03
35,000	Canary Wharf Finance 6.455% 2033	9	–
100,000	Digital Stout 3.75% 2030	114	0.02
100,000	EDF 6.125% 2034	148	0.03
100,000	Fidelity National Information Services 3.36% 2031	113	0.02
100,000	GlaxoSmithKline 5.25% 2033	144	0.03
100,000	Great Rolling Stock 6.5% 2031	109	0.02
130,000	Greene King FRN 2033	95	0.02
100,000	HSBC 3% fixed to floating 2030	107	0.02
50,000	HSBC 5.375% 2033	66	0.01
53,000	HSBC Bank 5.375% fixed to floating 2030	62	0.01
150,000	innogy Finance 6.25% 2030	210	0.04
100,000	John Lewis 4.25% 2034	98	0.02
100,000	Orange 3.25% 2032	113	0.02
70,000	Orange 5.625% 2034	100	0.02

Holding	Investment	Market value £'000	Percentage of total net assets
100,000	South Eastern Power Networks 5.625% 2030	138	0.03
150,000	Telereal 4.0902% fixed to floating 2033	155	0.03
50,000	Telereal 6.1645% 2031	58	0.01
100,000	Time Warner Cable 5.75% 2031	125	0.02
between 15 and 25 years to maturity			
100,000	Affordable Housing 2.893% 2043	133	0.03
59,000	Aspire Defence 4.674% 2040 'B'	71	0.01
100,000	Aster Treasury 4.5% 2043	147	0.03
100,000	AT&T 4.875% 2044	128	0.02
100,000	BPHA 4.816% 2044	150	0.03
100,000	Cadent Finance 2.625% 2038	105	0.02
110,000	Connect Plus 2.607% 2039	121	0.02
120,000	Direct Line 9.25% fixed to floating 2042	139	0.03
100,000	Dwr Cymru Financing 2.5% 2036	114	0.02
100,000	E.ON Finance 5.875% 2037	150	0.03
100,000	Eversholt 3.529% 2042	111	0.02
100,000	Gatwick 5.75% 2037	144	0.03
50,000	General Electric 5.375% 2040	68	0.01
90,000	HSBC 6% 2040	124	0.02
110,000	Land Securities 2.625% 2037	121	0.02
100,000	Munich Re 6.625% fixed to floating 2042	112	0.02
75,000	Octagon Healthcare 5.333% 2035	81	0.01
54,076	Peel 8.375% fixed to floating 2040	83	0.02
110,000	RL Finance 6.125% fixed to floating 2043	124	0.02
100,000	Sovereign Housing Capital 5.705% 2039	165	0.03
100,000	TC Dudgeon Ofco 3.158% 2038	112	0.02
100,000	Tesco 5.8006% 2040	131	0.02
100,000	Thames Water 5.125% 2037	140	0.03
50,000	Veolia Environment 6.125% 2037	81	0.01
100,000	Verizon Communications 3.375% 2036	116	0.02
100,000	Wal-Mart 5.25% 2035	153	0.03
100,000	Wheatley 4.375% 2044	139	0.03
greater than 25 years to maturity			
100,000	Aviva 5.125% fixed to floating 2050	114	0.02
100,000	Blend Funding 3.459% 2047	126	0.02
100,000	British American Tobacco 2.25% 2052	77	0.01
100,000	Bromford Housing 3.125% 2048	126	0.02
50,000	Channel Link 6.341% 2046	65	0.01
100,000	EDF 5.125% 2050	151	0.03
50,000	Engie 5% 2060	91	0.02
100,000	Heathrow Funding 2.75% 2049	104	0.02

Holding	Investment	Market value £'000	Percentage of total net assets
100,000	Legal & General 5.5% fixed to floating 2064	115	0.02
100,000	NGG 5.625% fixed to floating 2073	114	0.02
100,000	Optivo Finance 3.283% 2048	122	0.02
100,000	Prudential 5.7% fixed to floating 2063	118	0.02
100,000	SSE 3.625% 2077	103	0.02
100,000	University of Cambridge 2.35% 2078	143	0.03
120,000	Vodafone 3.375% 2049	129	0.02
Perpetual			
105,000	Aviva 5.9021% fixed to floating Perpetual	106	0.02
111,000	AXA 5.453% fixed to floating Perpetual	125	0.02
100,000	EDF 5.875% fixed to floating Perpetual	112	0.02
200,000	HSBC 5.875% fixed to floating Perpetual	216	0.04
100,000	Orange 5.75% fixed to floating Perpetual	110	0.02
100,000	Pennon 2.875% fixed to floating Perpetual	100	0.02
Government Bonds (4.56%)		26,577	4.95
less than 5 years to maturity			
63,000	European Bank for Reconstruction & Development 1.25% 2022	64	0.01
180,000	European Investment Bank 0.75% 2023	181	0.03
37,000	European Investment Bank 0.875% 2021	37	0.01
229,000	European Investment Bank 0.875% 2023	231	0.04
300,000	FMS Wertmanagement 1.125% 2021	302	0.06
100,000	FMS Wertmanagement 1.125% 2023	101	0.02
382,000	KFW 1.375% 2021	385	0.07
98,000	Landwirtschaftliche Rentenbank 1.375% 2020	99	0.02
514,000	UK (Govt of) 0.5% 2022	516	0.10
20,000	UK (Govt of) 0.75% 2023	20	–
20,000	UK (Govt of) 1% 2024	21	–
201,000	UK (Govt of) 1.5% 2021	203	0.04
473,000	UK (Govt of) 1.75% 2022	490	0.09
444,000	UK (Govt of) 2.25% 2023	474	0.09
2,270,000	UK (Govt of) 2.75% 2024	2,519	0.47
47,000	UK (Govt of) 3.75% 2021	49	0.01
680,000	UK (Govt of) 4% 2022	730	0.14
432,000	UK (Govt of) 8% 2021	473	0.09
between 5 and 10 years to maturity			
351,000	UK (Govt of) 0.625% 2025	357	0.07
426,000	UK (Govt of) 1.25% 2027	455	0.08
492,000	UK (Govt of) 1.5% 2026	530	0.10
504,000	UK (Govt of) 1.625% 2028	559	0.10
560,000	UK (Govt of) 2% 2025	613	0.11
547,000	UK (Govt of) 4.25% 2027	712	0.13

Holding	Investment	Market value £'000	Percentage of total net assets
630,000	UK (Govt of) 5% 2025	777	0.14
428,000	UK (Govt of) 6% 2028	637	0.12
428,000	UK (Govt of) 0.875% 2029	447	0.08
between 10 and 15 years to maturity			
171,434	UK (Govt of) 4.25% 2032	247	0.05
48,000	UK (Govt of) 4.5% 2034	74	0.01
597,000	UK (Govt of) 4.75% 2030	868	0.16
between 15 and 25 years to maturity			
46,000	UK (Govt of) 1.25% 2041	49	0.01
1,581,000	UK (Govt of) 1.75% 2037	1,822	0.34
312,797	UK (Govt of) 3.25% 2044	468	0.09
486,000	UK (Govt of) 3.5% 2045	763	0.14
537,000	UK (Govt of) 4.25% 2036	822	0.15
134,000	UK (Govt of) 4.25% 2039	216	0.04
452,152	UK (Govt of) 4.25% 2040	741	0.14
484,613	UK (Govt of) 4.5% 2042	843	0.16
436,000	UK (Govt of) 4.75% 2038	736	0.14
greater than 25 years to maturity			
253,927	UK (Govt of) 1.5% 2047	289	0.05
233,000	UK (Govt of) 1.625% 2071	315	0.06
477,000	UK (Govt of) 1.75% 2049	575	0.11
330,000	UK (Govt of) 1.75% 2057	425	0.08
360,263	UK (Govt of) 2.5% 2065	588	0.11
303,016	UK (Govt of) 3.5% 2068	626	0.12
436,610	UK (Govt of) 3.75% 2052	787	0.15
432,032	UK (Govt of) 4% 2060	894	0.17
366,195	UK (Govt of) 4.25% 2046	654	0.12
384,678	UK (Govt of) 4.25% 2049	717	0.13
528,024	UK (Govt of) 4.25% 2055	1,076	0.20
Swedish Krona Denominated Bonds (0.00%)		1,057	0.20
Government Bonds (0.00%)		1,057	0.20
between 5 and 10 years to maturity			
11,885,000	Sweden (Kingdom of) 0.75% 2029	1,057	0.20
US Dollar Denominated Bonds (1.93%)		17,444	3.24
Corporate Bonds (0.10%)		106	0.02
between 5 and 10 years to maturity			
120,000	Charter Communications 4.908% 2025	106	0.02
Government Bonds (0.00%)		17,338	3.22
greater than 25 years to maturity			
17,400,000	US Treasury 1% Index-Linked 2049	17,338	3.22

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (58.99%)		309,375	57.35
European Equities (18.46%)		93,053	17.25
Austria (0.00%)		2,056	0.38
61,462	BAWAG Group	2,056	0.38
Belgium (0.23%)		1,991	0.37
21,112	KBC	1,090	0.20
27,753	Umicore	901	0.17
Denmark (1.51%)		6,166	1.14
101,642	Ambu	1,794	0.33
13,983	Coloplast	1,457	0.27
36,304	Novo Nordisk	1,657	0.31
15,778	Orsted	1,258	0.23
Finland (0.14%)		1,523	0.28
41,634	Fortum	690	0.13
27,005	Neste	833	0.15
France (2.69%)		12,072	2.24
15,795	Airbus	1,468	0.27
30,115	Alstom	1,152	0.21
48,469	AXA	874	0.16
1,746	Kering	759	0.14
8,059	ORPEA	807	0.15
24,590	Schneider Electric	1,914	0.36
6,899	Teleperformance	1,303	0.24
6,624	Thales	517	0.10
44,011	TOTAL	1,452	0.27
10,958	Ubisoft Entertainment	635	0.12
20,111	Worldline	1,191	0.22
Germany (2.05%)		11,020	2.04
13,681	Covestro	403	0.08
10,767	CTS Eventim	442	0.08
5,384	Hypoport	1,387	0.26
51,163	Infineon Technology	821	0.15
29,505	Jungheinrich	455	0.08
15,355	Nemetschek	741	0.14
12,026	Puma	713	0.13
61,301	RWE	1,636	0.30
21,234	SAP	2,034	0.38
17,742	Siemens Healthineers	556	0.10

Holding	Investment	Market value £'000	Percentage of total net assets
169,868	TUI	1,019	0.19
8,278	Wirecard	813	0.15
Ireland (0.80%)		6,252	1.16
33,921	CRH	895	0.17
157,582	Grafton	1,358	0.25
13,454	Ingersoll-Rand	1,359	0.25
9,702	Kerry	957	0.18
21,350	Medtronic	1,683	0.31
Israel (0.00%)		3,238	0.60
5,707	Cyberark Software	468	0.09
14,622	Kornit Digital	455	0.08
18,051	Nice	2,315	0.43
Italy (0.71%)		4,631	0.86
101,521	Davide Campari-Milano	656	0.12
263,008	Enel	1,714	0.32
153,242	FinecoBank	1,251	0.23
18,584	Interpump	437	0.08
31,185	Prysmian	573	0.11
Luxembourg (0.40%)		1,280	0.24
16,964	Millicom International Cellular	601	0.11
25,840	Shurgard Self Storage	679	0.13
Netherlands (3.95%)		18,632	3.46
680	Adyen	466	0.09
15,313	Akzo Nobel	950	0.18
11,429	ASML	2,439	0.45
14,524	Heineken	1,127	0.21
6,604	Just Eat Takeaway.com 'A'	450	0.08
21,930	Just Eat Takeaway.com 'B'	1,493	0.28
11,297	Koninklijke DSM	988	0.18
7,621	NXP Semiconductors	678	0.13
16,540	Prosus	904	0.17
173,844	Royal Dutch Shell 'A'	2,888	0.53
312,180	Royal Dutch Shell 'B'	5,193	0.96
18,518	Wolters Kluwer	1,056	0.20
Norway (0.18%)		598	0.11
48,230	Telenor	598	0.11

Holding	Investment	Market value £'000	Percentage of total net assets
Portugal (0.09%)		-	-
Spain (0.89%)		4,649	0.86
23,482	Amadeus	1,282	0.24
116,158	Bankinter	533	0.10
32,849	CIE Automotive	516	0.09
161,757	Iberdrola	1,435	0.27
36,504	Inditex	883	0.16
Sweden (1.13%)		3,139	0.58
40,821	Assa Abloy	706	0.13
119,606	Ericsson 'B'	738	0.14
18,378	Swedish Match	828	0.15
72,194	Volvo	867	0.16
Switzerland (3.69%)		15,806	2.93
63,550	Coca-Cola HBC	1,571	0.29
1,012,379	Glencore	1,956	0.36
898,166	IWG	3,158	0.59
18,317	Julius Baer	596	0.11
35,073	Nestle	2,804	0.52
33,983	Novartis	2,233	0.41
1,269	Partners	853	0.16
8,768	Roche	2,196	0.41
2,018	Tecan	439	0.08
Japanese Equities (0.00%)		449	0.08
1,800	Keyence	449	0.08
North American Equities (17.76%)		102,191	18.95
Bermuda (0.26%)		-	-
Canada (0.47%)		2,999	0.56
65,002	Alimentation Couche-Tard 'B'	1,545	0.29
31,744	Restaurant Brands International	1,454	0.27
United States (17.03%)		99,192	18.39
16,669	Abbvie	1,117	0.21
4,608	Adobe	1,246	0.23
9,845	Air Products & Chemicals	1,693	0.31
53,860	Allison Transmission	1,712	0.32
4,404	Alphabet 'A'	4,621	0.86
3,822	Amazon.com	5,648	1.05
7,484	American Tower REIT	1,330	0.25
16,555	Apple	3,558	0.66
4,683	Autodesk	700	0.13

Holding	Investment	Market value £'000	Percentage of total net assets
7,340	Axon Enterprise	445	0.08
90,504	Bank of America	2,019	0.37
35,273	Baxter International	2,302	0.43
1,071	Booking	1,426	0.26
63,996	Boston Scientific	1,872	0.35
34,740	Bristol-Myers Squibb	1,607	0.30
6,904	Broadcom	1,476	0.27
5,775	Burlington	978	0.18
550	Cable One	675	0.13
27,228	Chevron	1,990	0.37
25,542	Citigroup	1,269	0.24
37,072	CMS Energy	1,754	0.33
79,523	Comcast	2,521	0.47
8,164	Constellation	1,102	0.20
21,621	Dollar Tree	1,407	0.26
16,775	Eli Lilly	1,656	0.31
18,477	EOG Resources	914	0.17
5,039	Equinix	2,261	0.42
18,259	Facebook	2,754	0.51
18,527	Fidelity National Information Services	2,026	0.38
22,940	Fiserv	1,964	0.36
18,400	Globus Medical	651	0.12
9,902	Goldman Sachs	1,558	0.29
38,537	Hanesbrands	399	0.07
13,664	Honeywell International	1,726	0.32
3,387	Insulet	504	0.09
18,712	Intercontinental Exchange	1,307	0.24
13,473	Kansas City Southern	1,588	0.30
171,072	Kosmos Energy	382	0.07
5,866	L3Harris Technologies	907	0.17
12,170	Manhattan Associates	642	0.12
104,002	Marvell Technology	1,734	0.32
15,433	Mastercard	3,507	0.65
66,021	Microsoft	8,379	1.55
55,607	Mondelez	2,300	0.43
4,398	Netflix	1,272	0.24
12,807	NextEra Energy	2,531	0.47
15,717	Philip Morris	1,006	0.19
23,470	Schlumberger	498	0.09
69,931	Schwab (Charles)	2,231	0.41
39,564	Service Corporation International	1,480	0.27
31,409	TJX	1,471	0.27

Holding	Investment	Market value £'000	Percentage of total net assets
15,572	T-Mobile	1,100	0.20
18,686	United Health	3,733	0.69
25,354	United Parcel Services	1,792	0.33
4,897	Walt Disney	451	0.08
Pacific Basin Equities (0.00%)		4,773	0.88
Australia (0.00%)		458	0.08
2,933	CSL	458	0.08
China (0.00%)		1,833	0.34
2,832	Alibaba ADR	461	0.08
53,000	Ping An Insurance 'H'	461	0.09
46,600	Shenzhou	448	0.08
40,500	Wuxi Biologics	463	0.09
Hong Kong (0.00%)		1,136	0.21
324,600	Hutchison China MediTech++	1,136	0.21
New Zealand (0.00%)		423	0.08
11,484	Xero	423	0.08
Taiwan (0.00%)		923	0.17
113,000	Taiwan Semiconductors Manufacturing	923	0.17
UK Equities (22.77%)		108,909	20.19
Basic Materials (1.85%)		5,786	1.08
54,530	Anglo American	977	0.18
48,982	Johnson Matthey	1,230	0.23
57,343	Mondi	895	0.17
1,103,276	Petra Diamonds	46	0.01
73,125	Rio Tinto	2,638	0.49
Consumer Goods (3.76%)		21,175	3.93
53,741	Bellway	2,000	0.37
1,111,731	Boohoo.com++	3,234	0.60
238,566	Bovis Homes	3,049	0.57
153,893	British American Tobacco	4,712	0.87
219,116	Countryside Properties	1,030	0.19
108,567	Crest Nicholson	491	0.09
505,649	Dixons Carphone	615	0.12
42,053	Fever Tree Drinks++	531	0.10
132,431	Inchcape	763	0.14
125,991	JD Sports	928	0.17
46,450	Reckitt Benckiser	2,657	0.49

Holding	Investment	Market value £'000	Percentage of total net assets
113,565	Redrow	846	0.16
103,028	SuperGroup	319	0.06
Consumer Services (2.32%)		9,721	1.80
1,217,763	888	1,387	0.26
324,114	Cineworld	503	0.09
909,879	EI	2,588	0.48
484,239	GVC	3,822	0.71
1,093,373	Stagecoach	1,421	0.26
Financials (6.14%)		25,900	4.80
1,362,637	Barclays	2,027	0.38
53,959	Close Brothers	692	0.13
1,312,066	Grainger	3,886	0.72
896,746	HSBC	4,697	0.87
255,532	John Laing Group	859	0.16
23,831	London Stock Exchange	1,805	0.34
173,892	M&G	346	0.06
721,009	Melrose Industries	1,509	0.28
283,088	Onesavings Bank	1,136	0.21
150,118	Phoenix	1,038	0.19
173,892	Prudential	2,202	0.41
252,340	Standard Chartered	1,419	0.26
1,310,182	Standard Life	4,284	0.79
Health Care (2.14%)		16,622	3.08
112,969	Abcam++	1,305	0.24
77,281	AstraZeneca	5,250	0.97
109,992	Clinigen++	789	0.15
766,901	ConvaTec	1,571	0.29
26,991	Genus	852	0.16
311,760	GlaxoSmithKline	4,870	0.90
1,039,340	Indivior	449	0.08
72,916	NMC Healthcare	684	0.13
737,494	Spire Healthcare	852	0.16
Industrials (2.87%)		12,455	2.31
249,179	Bodycote	1,902	0.35
370,299	Essentra	1,327	0.25
1,743,132	Mitie Group	2,435	0.45
361,096	Polypipe	1,928	0.36
160,625	Rolls-Royce	996	0.18

Holding	Investment	Market value £'000	Percentage of total net assets
474,886	Smith (DS)	1,492	0.28
88,228	Ultra Electronics	1,715	0.32
156,166	Vesuvius	660	0.12
Oil & Gas (2.56%)		9,655	1.79
1,414,599	BP	5,603	1.04
1,116,126	Cairn Energy	1,551	0.29
110,894	Energean Oil & Gas	724	0.13
188,862	Hunting	600	0.11
375,660	Tullow Oil	127	0.02
286,709	Wood Group	1,050	0.20
Technology (0.19%)		2,991	0.55
199,271	Avast	784	0.14
32,205	AVEVA	1,413	0.26
65,464	Kainos	487	0.09
41,483	Micro Focus	307	0.06
Telecommunications (0.55%)		2,235	0.41
1,663,419	Vodafone	2,235	0.41
Utilities (0.39%)		2,369	0.44
241,072	National Grid	2,369	0.44
Collective Investment Schemes (23.03%)		144,236	26.75
418,582	SLI Emerging Market Local Currency Debt SICAV+	5,447	1.01
5,757,440	SLI Global Bond SICAV+	57,590	10.68
263,898	SLI Global REIT Focus SICAV +	3,443	0.64
870,211	SLI Total Return Credit SICAV+	11,537	2.14
71,494,361	SLTM Japan Trust+	30,271	5.61
22,853,142	SLTM Pacific Basin Trust+	35,948	6.67
Derivatives (0.34%)		(286)	(0.05)
Credit Default Swaps (0.14%)		308	0.06
USD 6,955,216	Sell CDX Emerging Markets Series 32 20/12/2024 1%	(354)	(0.06)
USD 8,077,000	Sell CDX Emerging Markets Series 32 20/12/2024 1%	(410)	(0.08)
EUR 3,226,750	Sell iTraxx Europe Series 32 20/12/2024 5%	268	0.05
EUR 3,226,750	Sell iTraxx Europe Series 32 20/12/2024 5%	268	0.05
EUR 6,453,500	Sell iTraxx Europe Series 32 20/12/2024 5%	536	0.10
Forward Currency Contracts (0.02%)		(224)	(0.04)
	Buy GBP 173,582 Sell EUR 202,993 22/04/2020	(1)	-
	Buy GBP 169,866 Sell SEK 2,116,716 22/04/2020	(1)	-

Holding	Investment	Market value £'000	Percentage of total net assets
	Buy GBP 860,540 Sell SEK 10,602,365 22/04/2020	3	-
	Buy GBP 103,463 Sell USD 135,211 22/04/2020	(2)	-
	Buy GBP 16,731,288 Sell USD 21,685,384 22/04/2020	(223)	(0.04)
Futures (0.18%)		(371)	(0.07)
81	Long Australia 10 Year Bond Future 16/03/2020	167	0.03
42	Long Australia 3 Year Bond Future 16/03/2020	14	-
7	Long Canadian 10 Year Bond Future 19/06/2020	5	-
472	Long E-mini MSCI Emerging Market Index Future 20/03/2020	(1,640)	(0.31)
52	Long FTSE 100 Future 20/03/2020	(481)	(0.09)
20	Long Long Gilt Future 26/06/2020	20	-
(5)	Short Euro Bond Future 06/03/2020	-	-
(274)	Short Euro Stoxx 50 Future 20/03/2020	1,012	0.19
(13)	Short Euro-Oat Future 06/03/2020	1	-
(5)	Short JPN 10 Year Bond Future (TSE) 13/03/2020	(62)	(0.01)
(54)	Short Long Gilt Future 26/06/2020	(71)	(0.01)
(1)	Short Long Gilt Future 26/06/2020	(1)	-
(87)	Short S&P 500 Index E-mini Future 20/03/2020	784	0.15
(77)	Short US 10 Year Note Future 19/06/2020	(119)	(0.02)
Total investment assets and liabilities		512,834	95.10
Net other assets		26,428	4.90
Total Net Assets		539,262	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	25,686	(19,346)
Revenue	4	12,692	14,250
Expenses	5	(5,504)	(5,573)
Interest payable and similar charges	6	(5)	(13)
Net revenue before taxation		7,183	8,664
Taxation	7	(526)	(596)
Net revenue after taxation		6,657	8,068
Total return before distributions		32,343	(11,278)
Distributions	8	(6,657)	(8,068)
Change in net assets attributable to shareholders from investment activities		25,686	(19,346)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	540,142	583,629
Amounts receivable on the issue of shares	6,163	7,279
Amounts payable on the cancellation of shares	(39,250)	(39,382)
	(33,087)	(32,103)
Dilution adjustment	6	63
Change in net assets attributable to shareholders from investment activities (see above)	25,686	(19,346)
Retained distribution on accumulation shares	6,515	7,899
Closing net assets attributable to shareholders	539,262	540,142

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		516,199	503,610
Current assets:			
Debtors	9	1,709	2,403
Cash and bank balances	10	28,906	37,483
		30,615	39,886
Total assets		546,814	543,496
Liabilities:			
Investment liabilities		(3,365)	(941)
Creditors	11	(3,505)	(2,021)
Bank overdrafts	10	(665)	(370)
Distribution payable		(17)	(22)
		(4,187)	(2,413)
Total liabilities		(7,552)	(3,354)
Net assets attributable to shareholders		539,262	540,142

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	29,403	(15,330)
Derivative contracts	(3,184)	(3,575)
Forward currency contracts	(470)	(504)
Other (losses)/gains	(27)	89
Transaction charges	(36)	(26)
Net capital gains/(losses)	25,686	(19,346)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	78,763	21,721	81,742	22,941
Equities	107,432	70,841	128,974	94,583
Collective investment schemes	33,567	18,865	24,863	34,164
Corporate actions	–	1,810	2,627	2,614
Trades in the year before transaction costs	219,762	113,237	238,206	154,302
Commissions				
Equities	52	65	(59)	(76)
Total commissions	52	65	(59)	(76)
Taxes				
Equities	128	124	(1)	(1)
Total taxes	128	124	(1)	(1)
Total transaction costs	180	189	(60)	(77)
Total net trades in the year after transaction costs	219,942	113,426	238,146	154,225

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.06	0.05	0.05
Taxes				
Equities	0.12	0.11	–	–
Total transaction costs expressed as a percentage of net asset value				
Commissions			0.02	0.02
Taxes			0.02	0.02

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.13% (2019: 0.15%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	5,498	5,520
Overseas dividends	4,014	4,981
Franked dividend distributions	918	943
Interest distributions	556	446
Interest on debt securities	830	1,504
Derivative revenue	6	–
Bank interest	187	126
ACD fee rebate on collective investment scheme holdings	569	599
Property income distributions	114	131
Total revenue	12,692	14,250

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	5,373	5,431
Dealing charge	8	8
Registration fees	38	37
	5,419	5,476
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	53	60
Safe custody fee	18	25
	71	85
Other:		
Professional fees	1	–
Audit fee	13	12
	14	12
Total expenses	5,504	5,573

6 Interest Payable and Similar Charges

	2020 £'000	2019 £'000
Interest payable	5	3
Derivative expense	–	10
Total cash and bank balances	5	13

7 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	526	596
Total current tax	526	596
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	7,183	8,664
Corporation tax at 20% (2019: 20%)	1,437	1,733
Effects of:		
Revenue not subject to taxation	(2,063)	(2,267)
Overseas taxes	526	596
Overseas tax expensed	(3)	(3)
Excess allowable expenses	629	537
Total tax charge for year (note 7a)	526	596

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £5,609,000 (2019: £4,980,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

8 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	4,380	5,106
Final distribution	2,185	2,850
	6,565	7,956
Add: Income deducted on cancellation of shares	125	141
Deduct: Income received on issue of shares	(33)	(29)
Net distribution for the year	6,657	8,068

Details of the distribution per share are set out in this Fund's distribution tables.

9 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	7	–
Sales awaiting settlement	247	766
Accrued revenue	1,155	1,389
Accrued Management Fee Rebate	48	–
Foreign withholding tax recoverable	252	248
Total debtors	1,709	2,403

10 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	1,664	704
Cash and bank balances	27,242	36,779
	28,906	37,483
Collateral cash	(665)	(370)
Total cash and bank balances	28,241	37,113

11 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	280	275
Purchases awaiting settlement	2,756	1,307
Accrued expenses payable to ACD	443	407
Accrued expenses payable to the Depositary or associates of the Depositary	8	15
Other accrued expenses	18	17
Total creditors	3,505	2,021

12 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 9 and 11.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 11.

13 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	188,142,906	87,065	(10,832,790)	(714,300)	176,682,881
Institutional accumulation	13,291,799	966,985	(1,065,931)	(24,956)	13,167,897
Retail income	1,450,215	105,470	(48,031)	(27,144)	1,480,510
Institutional income	624,600	10,987	(35,711)	-	599,876
Retail CAT accumulation	141,937,179	2,107,547	(10,450,214)	(991,585)	132,602,927
Standard Life accumulation	2,852,501	80,723	(267,126)	-	2,666,098
Platform 1 accumulation	16,620,905	896,496	(2,708,207)	2,808,836	17,618,030
Platform 1 income	1,698,647	181,298	(498,120)	37,536	1,419,361

14 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	43,402	16,108	-	34,545	23,275	-
Equities	309,375	-	-	318,639	-	-
Collective Investment Schemes	-	144,236	-	-	124,406	-
Derivatives	2,004	1,075	-	1,806	939	-
Total investment assets	354,781	161,419	-	354,990	148,620	-
Derivatives	(2,374)	(991)	-	(835)	(106)	-
Total investment liabilities	(2,374)	(991)	-	(835)	(106)	-

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

15 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	5.88%	6.35%	6.12%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	5.87%	6.92%	6.32%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 6.35%, £32,565,000 (2019: 6.50%, £35,125,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Australian Dollar	1,012	149
Canadian Dollar	1,551	932
Danish Krone	6,277	8,277
Euro	52,376	51,696
Hong Kong Dollar	1,352	–
Japanese Yen	364	13
Norwegian Krone	598	969
Swedish Krona	3,771	7,390
Swiss Franc	9,120	15,121
Taiwan Dollar	(3)	–
US Dollar	163,622	144,225

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/(liabilities) £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	28,810	40,234	230,178	299,222
Australian Dollar	3	–	1,009	1,012
Canadian Dollar	1	–	1,550	1,551
Danish Krone	–	–	6,277	6,277
Euro	160	–	52,216	52,376
Hong Kong Dollar	–	–	1,352	1,352
Japanese Yen	2	–	362	364
Norwegian Krone	–	–	598	598
Swedish Krona	–	1,057	2,714	3,771
Swiss Franc	–	–	9,120	9,120
Taiwan Dollar	–	–	(3)	(3)
US Dollar	17,376	105	146,141	163,622
2019				
Currency				
UK Sterling	39,771	44,460	227,139	311,370
Australian Dollar	(13)	–	162	149
Canadian Dollar	–	–	932	932
Danish Krone	–	–	8,277	8,277
Euro	428	86	51,182	51,696
Japanese Yen	–	–	13	13
Norwegian Krone	–	–	969	969
Swedish Krona	–	–	7,390	7,390
Swiss Franc	–	–	15,121	15,121
US Dollar	9,575	545	134,105	144,225

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	58,785	56,117
Below Investment Grade Bonds	231	537
Unrated Bonds	494	1,166
Total Value of Bonds	59,510	57,820

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management or to meet the Fund's investment objectives. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

Market Exposure	2020 £'000	2019 £'000
Credit Default Swaps	22,868	11,732
Forward Currency Contracts	18,262	11,336
Futures	75,581	72,030
Total Market Exposure	116,712	95,098

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

Counterparty or clearer	2020			2019		
	Collateral (held)/pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000
Barclays	485	-	(764)	-	-	-
BNP Paribas	-	-	-	120	-	(102)
Citigroup	-	-	-	(353)	-	406
Credit Agricole	-	-	(223)	-	-	-
Goldman Sachs	552	1,664	702	110	701	1,409
HSBC	-	-	3	-	-	-
Nomura	-	-	-	-	-	91
Standard Chartered	-	-	(2)	-	-	-
UBS	-	-	(1)	-	-	-
Total	1,037	1,664	(286)	(123)	701	1,804

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

16 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 199.45p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 205.09p. This represents an increase of 3.03% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.3610	-	1.3610*	1.4980
Group 2	0.7787	0.5823	1.3610*	1.4980
Institutional accumulation				
Group 1	1.9462	-	1.9462*	2.0886
Group 2	0.8676	1.0786	1.9462*	2.0886
Retail income				
Group 1	0.8906	-	0.8906**	0.9935
Group 2	0.3755	0.5151	0.8906**	0.9935
Institutional income				
Group 1	1.1193	-	1.1193**	1.2225
Group 2	0.5205	0.5988	1.1193**	1.2225
Retail CAT accumulation				
Group 1	1.0454	-	1.0454*	1.1474
Group 2	0.5853	0.4601	1.0454*	1.1474
Standard Life accumulation				
Group 1	0.9848	-	0.9848*	1.0385
Group 2	0.5874	0.3974	0.9848*	1.0385
Platform 1 accumulation				
Group 1	0.8956	-	0.8956*	0.9637
Group 2	0.4137	0.4819	0.8956*	0.9637
Platform 1 income				
Group 1	0.7996	-	0.7996**	0.8750
Group 2	0.3090	0.4906	0.7996**	0.8750

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the six months ended 29 February 2020

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.6775	-	0.6775*	0.8486
Group 2	0.4722	0.2053	0.6775*	0.8486
Institutional accumulation				
Group 1	1.1962	-	1.1962*	1.3429
Group 2	0.7831	0.4131	1.1962*	1.3429
Retail income				
Group 1	0.4402	-	0.4402**	0.5578
Group 2	0.3099	0.1303	0.4402**	0.5578
Institutional income				
Group 1	0.6817	-	0.6817**	0.7774
Group 2	0.1153	0.5664	0.6817**	0.7774
Retail CAT accumulation				
Group 1	0.5271	-	0.5271*	0.6555
Group 2	0.3693	0.1578	0.5271*	0.6555
Standard Life accumulation				
Group 1	0.7043	-	0.7043*	0.7305
Group 2	0.5113	0.1930	0.7043*	0.7305
Platform 1 accumulation				
Group 1	0.5406	-	0.5406*	0.6124
Group 2	0.2951	0.2455	0.5406*	0.6124
Platform 1 income				
Group 1	0.4782	-	0.4782**	0.5504
Group 2	0.2915	0.1867	0.4782**	0.5504

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Global Income Equity Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in global equities (company shares).

Performance Target: To achieve the return of the MSCI AC World Index plus 2% per annum over rolling five year periods (before charges) with a yield greater than that of this index. The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 80% in equities and equity related securities of companies listed on recognised stock exchanges.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify the investments they believe are most appropriate for the Fund's objective.
- They will maintain a diverse asset mix at country, sector and stock level, with country and sector weightings within the portfolio typically a by-product of the underlying stock exposure.
- Their primary focus is on stock selection using research techniques to select individual holdings. Given the Fund's income objective, the management team place particular emphasis on understanding business fundamentals and dynamics and the impact this has on cash flow generation and the company's ability to allocate cash effectively.
- In seeking to achieve the Performance Target, the MSCI AC World Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the income nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI AC World Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance review

Over the period under review, the Fund returned 8.6%. This compared to a return of 10.6% for our performance target (the MSCI AC World Index +2%). Meanwhile, the Fund's yield was 1.95% over the year, versus a yield target of 2.49% (the MSCI AC World Index).

On a positive note, the Italian integrated utility Enel made a positive contribution. This was driven by the yield spread on its debt falling, the publication of a positive research note, and a successful investor day. Microsoft outperformed after it announced good results, particularly from accelerating growth generated by its cloud business. We remain confident that Microsoft is a long-term winner from structural trends that include the continued advance of digitisation and the shift to cloud-based products and services. Nextera was another positive. The US renewable energy business announced better-than-expected results. Management also confirmed continued progress in reducing production costs for renewables, which we expect to fall below the cost for traditional sources of energy. The US data centre operator Equinix also did well after it reported strong first-quarter results. This fed through to a rise in full-year guidance for profits. The firm is seeing growing demand for its cloud services. American Tower, the owner of wireless telecommunications masts, continued to grow both in the US and overseas. Its corporate structure as a real estate investment trust (REIT) also helped its shares to put in a strong performance. REITs are interest-rate sensitive, and because of their high dividend yield have done well as the US Federal Reserve lowered interest rates. By contrast, Dutch insurer ASR Nederland detracted from the Fund's performance. Investors were worried it would buy a rival insurer and falling long-term interest rates, which have a detrimental impact on its liabilities. Treasury Wine Estates also underperformed. The Australian company's earnings forecasts were reduced, with the US business being the main culprit. The coronavirus also weighed on its Asia business. We decided to sell the holding. Pfizer's share price weakened after the announcement of the merger of its Upjohn unit (manufacturer of off-patent drugs) with Mylan. Investors were concerned about the deal's impact on profit margins and cashflow. Pfizer's latest earnings release was also unhelpful, revealing a revenue shortfall. BP underperformed the wider market in tandem with the fall in the oil price. The Fund's lack of a holding in Apple also weighed on relative returns as the shares rose strongly over the period.

Activity

During the period, we initiated a position UK pharmaceutical company AstraZeneca. The firm should see its investment in drug development paying off over the next two years, potentially leading to double-digit revenue growth and higher dividend cover. Another new holding was French construction company Vinci. We are positive on the future growth of its infrastructure concession division, which has a track record of success. Its stable earnings growth leads to an attractive cashflow and dividend profile. We started a position in Fidelity National Information Services. The financial technology and outsourcing services business acquired payment firm Worldpay. Fidelity is a robust dividend-paying company. The Worldpay purchase is an opportunity for the business to benefit from synergies as it integrates the Vantiv payment product. We also initiated a position in Ping An. We believe the Chinese insurance company has the potential to increase premiums faster than expected, driving better margins. Given its market position, the business has the advantage of economies of scale. Elsewhere, buying also included NXP Semiconductors. The US company's main customer is the automotive industry. Its products are used for infotainment systems, autonomous driving and battery management for electric vehicles. A combination of attractive valuation, bottoming of end markets and a drive to control costs appealed.

In terms of sales, we decided to exit US telecom provider Verizon. We were concerned that the Sprint/T-Mobile merger could have negative consequences for Verizon. If the deal is approved, the combined entity will have to sell the Sprint subsidiary Boost Prepaid to DISH Network. This creates a credible fourth competitor. Even if the deal fails, there is a high risk T-Mobile reverts to an aggressive pricing strategy to capture market share. Whatever happens, the company's profit margins look challenged. We also sold our holding in American Tower, following a strong rally in the share price. We took profits in Kone, the Finnish elevator manufacturer. Following its recent share price performance, we believe there is increasing downside risk from tighter credit conditions for Chinese real estate developers, which could act as a significant drag on the company's revenues. We removed First Republic Bank from the Fund, as its valuation implied further gains looked limited. Lastly, we also sold ASML, the Dutch semiconductor equipment company. While we are still confident in the long-term prospects for the business, it was another case of the share price no longer representing good value.

Outlook and Strategy

The positive outlook for companies at the start of the year has been overwhelmed by the spread of the coronavirus globally. This will cause a sharp slowdown in economic activity and lead to earnings downgrades for many companies. The equity market sell-off has been fairly indiscriminate. For now, it is hard to see a sustained recovery until there are clear signs that the virus has peaked and been contained. When this happens, we expect a sharp recovery in markets.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, exchange rate risk/controls, settlement, tax, quota, liquidity and regulatory risks.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.
- The Fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail Founder accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	260.62	261.21	258.98
Return before operating charges*	25.11	2.16	5.01
Operating charges	(3.04)	(2.75)	(2.78)
Return after operating charges*	22.07	(0.59)	2.23
Distributions	(5.12)	(4.99)	(4.28)
Retained distributions on accumulation shares	5.12	4.99	4.28
Closing net asset value per share	282.69	260.62	261.21
 * after direct transaction costs of:	 0.30	 0.21	 0.35
Performance			
Return after charges	8.47%	(0.23%)	0.86%
Other information			
Closing net asset value (£'000)	80,911	81,360	87,965
Closing number of shares	28,622,225	31,217,167	33,675,927
Operating charges	1.04%	1.04%	1.04%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	315.9	280.2	276.1
Lowest share price	261.7	246.3	251.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional Founder accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	285.66	285.10	281.47
Return before operating charges*	27.47	2.35	5.44
Operating charges	(1.99)	(1.79)	(1.81)
Return after operating charges*	25.48	0.56	3.63
Distributions	(6.97)	(6.67)	(5.88)
Retained distributions on accumulation shares	6.97	6.67	5.88
Closing net asset value per share	311.14	285.66	285.10
 * after direct transaction costs of:	 0.33	 0.23	 0.38
Performance			
Return after charges	8.92%	0.20%	1.29%
Other information			
Closing net asset value (£'000)	6,193	6,870	7,718
Closing number of shares	1,990,333	2,404,940	2,707,210
Operating charges	0.62%	0.62%	0.62%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	347.7	306.4	301.2
Lowest share price	286.8	268.9	274.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail Founder income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	80.00	82.52	83.97
Return before operating charges*	7.75	0.73	1.68
Operating charges	(0.92)	(0.86)	(0.89)
Return after operating charges*	6.83	(0.13)	0.79
Distributions	(2.44)	(2.39)	(2.24)
Closing net asset value per share	84.39	80.00	82.52
 * after direct transaction costs of:	 0.09	 0.06	 0.11
Performance			
Return after charges	8.54%	(0.16%)	0.94%
Other information			
Closing net asset value (£'000)	1,228	835	861
Closing number of shares	1,455,530	1,043,936	1,043,788
Operating charges	1.04%	1.04%	1.04%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	94.90	87.64	88.15
Lowest share price	80.35	76.60	79.94

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional Founder income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	82.60	84.84	85.98
Return before operating charges*	7.98	0.75	1.69
Operating charges	(0.57)	(0.53)	(0.55)
Return after operating charges*	7.41	0.22	1.14
Distributions	(2.53)	(2.46)	(2.28)
Closing net asset value per share	87.48	82.60	84.84
 * after direct transaction costs of:	 0.10	 0.07	 0.12
Performance			
Return after charges	8.97%	0.26%	1.33%
Other information			
Closing net asset value (£'000)	224	231	261
Closing number of shares	256,062	280,083	307,376
Operating charges	0.62%	0.62%	0.62%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	98.38	90.28	90.37
Lowest share price	82.97	79.03	82.16

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	83.30	85.58	85.49
Return before operating charges*	7.83	0.30	2.27
Operating charges	(0.04)	(0.04)	(0.04)
Return after operating charges*	7.79	0.26	2.23
Distributions	(2.62)	(2.54)	(2.14)
Closing net asset value per share	88.47	83.30	85.58
 * after direct transaction costs of:	 0.10	 0.07	 0.11
Performance			
Return after charges	9.35%	0.30%	2.61%
Other information			
Closing net asset value (£'000)	1	— [^]	2
Closing number of shares	1,066	113	2,000
Operating charges	0.04%	0.04%	0.04%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	99.48	174.5	90.43
Lowest share price	83.69	79.78	83.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £94.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	86.59	86.00	83.59
Return before operating charges*	8.30	0.70	2.52
Operating charges	(0.12)	(0.11)	(0.11)
Return after operating charges*	8.18	0.59	2.41
Distributions	(2.60)	(2.44)	(2.21)
Retained distributions on accumulation shares	2.60	2.44	2.21
Closing net asset value per share	94.77	86.59	86.00
 * after direct transaction costs of:	 0.10	 0.07	 0.11
Performance			
Return after charges	9.45%	0.69%	2.88%
Other information			
Closing net asset value (£'000)	279	292	400
Closing number of shares	293,884	337,519	465,580
Operating charges	0.12%	0.12%	0.12%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	105.9	92.62	90.78
Lowest share price	86.96	81.15	82.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	96.62	97.12	96.58
Return before operating charges*	9.30	0.81	1.87
Operating charges	(1.45)	(1.31)	(1.33)
Return after operating charges*	7.85	(0.50)	0.54
Distributions	(1.57)	(1.56)	(1.30)
Retained distributions on accumulation shares	1.57	1.56	1.30
Closing net asset value per share	104.47	96.62	97.12
 * after direct transaction costs of:	 0.11	 0.08	 0.13
Performance			
Return after charges	8.12%	(0.51%)	0.56%
Other information			
Closing net asset value (£'000)	8,080	7,751	9,443
Closing number of shares	7,734,247	8,022,491	9,721,951
Operating charges	1.34%	1.34%	1.34%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	116.8	104.1	102.7
Lowest share price	97.01	91.57	93.67

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	101.26	101.31	100.28
Return before operating charges*	9.73	0.84	1.93
Operating charges	(0.98)	(0.89)	(0.90)
Return after operating charges*	8.75	(0.05)	1.03
Distributions	(2.19)	(2.11)	(1.84)
Retained distributions on accumulation shares	2.19	2.11	1.84
Closing net asset value per share	110.01	101.26	101.31
 * after direct transaction costs of:	 0.12	 0.08	 0.14
Performance			
Return after charges	8.64%	(0.05%)	1.03%
Other information			
Closing net asset value (£'000)	3,466	4,658	7,143
Closing number of shares	3,150,437	4,600,338	7,050,840
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	122.9	108.8	107.1
Lowest share price	101.7	95.55	97.68

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	77.53	80.21	81.87
Return before operating charges*	7.49	0.71	1.61
Operating charges	(1.14)	(1.07)	(1.12)
Return after operating charges*	6.35	(0.36)	0.49
Distributions	(2.36)	(2.32)	(2.15)
Closing net asset value per share	81.52	77.53	80.21
 * after direct transaction costs of:	 0.09	 0.06	 0.11
Performance			
Return after charges	8.19%	(0.45%)	0.60%
Other information			
Closing net asset value (£'000)	254	336	325
Closing number of shares	311,947	433,061	405,525
Operating charges	1.34%	1.34%	1.34%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	91.69	85.08	85.86
Lowest share price	77.86	74.28	77.69

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	81.18	83.59	84.93
Return before operating charges*	7.86	0.74	1.67
Operating charges	(0.78)	(0.73)	(0.75)
Return after operating charges*	7.08	0.01	0.92
Distributions	(2.48)	(2.42)	(2.26)
Closing net asset value per share	85.78	81.18	83.59
 * after direct transaction costs of:	 0.09	 0.07	 0.11
Performance			
Return after charges	8.72%	0.01%	1.08%
Other information			
Closing net asset value (£'000)	407	724	907
Closing number of shares	474,151	892,196	1,085,499
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	96.45	88.84	89.19
Lowest share price	81.54	77.70	80.97

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	99.03	99.12	98.16
Return before operating charges*	9.52	0.83	1.89
Operating charges	(1.02)	(0.92)	(0.93)
Return after operating charges*	8.50	(0.09)	0.96
Distributions	(2.08)	(2.01)	(1.75)
Retained distributions on accumulation shares	2.08	2.01	1.75
Closing net asset value per share	107.53	99.03	99.12
 * after direct transaction costs of:	 0.11	 0.08	 0.13
Performance			
Return after charges	8.58%	(0.09%)	0.98%
Other information			
Closing net asset value (£'000)	11,934	14,364	24,759
Closing number of shares	11,098,428	14,504,662	24,977,958
Operating charges	0.92%	0.92%	0.92%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	120.2	106.4	104.8
Lowest share price	99.43	93.48	95.57

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	80.80	83.24	84.61
Return before operating charges*	7.80	0.74	1.67
Operating charges	(0.82)	(0.77)	(0.79)
Return after operating charges*	6.98	(0.03)	0.88
Distributions	(2.47)	(2.41)	(2.25)
Closing net asset value per share	85.31	80.80	83.24
 * after direct transaction costs of:	 0.09	 0.07	 0.11
Performance			
Return after charges	8.64%	(0.04%)	1.04%
Other information			
Closing net asset value (£'000)	3,007	4,731	7,065
Closing number of shares	3,524,922	5,854,701	8,487,064
Operating charges	0.92%	0.92%	0.92%
Direct transaction costs	0.10%	0.08%	0.13%
Prices			
Highest share price	95.95	88.46	88.85
Lowest share price	81.15	77.35	80.63

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (97.76%)		114,696	98.89
Emerging Market Equities (0.00%)		4,656	4.01
Brazil (0.00%)		1,284	1.11
242,365	Banco Bradesco (Preference)	1,284	1.11
Mexico (0.00%)		1,421	1.22
772,527	Grupo México	1,421	1.22
Panama (0.00%)		1,951	1.68
29,972	Copa Holdings	1,951	1.68
European Equities (23.84%)		34,374	29.65
Austria (0.00%)		1,180	1.02
35,272	BAWAG Group	1,180	1.02
Belgium (0.85%)		1,401	1.21
27,136	KBC	1,401	1.21
Denmark (1.79%)		1,418	1.22
65,694	Tryg	1,418	1.22
Finland (3.95%)		-	-
France (0.61%)		6,591	5.68
14,381	Airbus	1,337	1.15
45,383	Alstom	1,736	1.50
63,863	AXA	1,151	0.99
30,253	Vinci	2,367	2.04
Germany (1.20%)		3,962	3.42
47,531	RWE	1,269	1.10
64,655	Vonovia	2,693	2.32
Ireland (0.84%)		3,220	2.78
17,292	Ingersoll-Rand	1,747	1.51
18,696	Medtronic	1,473	1.27
Italy (2.46%)		3,204	2.76
491,695	Enel	3,204	2.76

Holding	Investment	Market value £'000	Percentage of total net assets
Netherlands (5.16%)		5,794	5.00
89,018	ASR Nederland	2,306	1.99
21,387	Koninklijke DSM	1,871	1.61
18,162	NXP Semiconductors	1,617	1.40
Norway (2.11%)		3,004	2.59
50,636	Mowi	827	0.71
175,486	Telenor	2,177	1.88
Portugal (0.51%)		-	-
Sweden (0.81%)		-	-
Switzerland (3.55%)		4,600	3.97
31,025	Nestle	2,480	2.14
7,069	Zurich	2,120	1.83
Japanese Equities (6.29%)		3,441	2.96
2,249	GLP J-REIT	2,231	1.92
28,800	Tokio Marine	1,210	1.04
North American Equities (58.35%)		51,526	44.42
Canada (2.29%)		-	-
United States (56.06%)		51,526	44.42
36,136	Baxter International	2,358	2.03
40,094	Blackstone	1,687	1.44
29,467	Chevron	2,154	1.86
92,081	Cisco Systems	2,879	2.48
39,265	Citigroup	1,951	1.68
7,689	CME	1,197	1.03
66,078	Coca-Cola HBC	2,773	2.39
12,690	Constellation	1,713	1.48
18,058	Eli Lilly	1,783	1.54
5,531	Equinix	2,482	2.14
20,750	Fidelity National Information Services	2,269	1.96
7,032	Goldman Sachs	1,106	0.95
17,895	Intercontinental Exchange	1,250	1.08
115,365	Marvell Technology	1,924	1.66
10,018	Mastercard	2,276	1.96
14,024	McDonald's	2,132	1.84
15,400	Merck & Co	923	0.80

Holding	Investment	Market value £'000	Percentage of total net assets
47,135	Microsoft	5,982	5.16
13,468	NextEra Energy	2,662	2.30
76,404	Pfizer	2,000	1.72
10,241	Raytheon	1,507	1.30
40,002	TJX	1,874	1.62
20,877	Union Pacific	2,612	2.25
10,172	United Health	2,032	1.75
Pacific Basin Equities (3.89%)		12,060	10.40
Australia (3.89%)		1,715	1.48
104,877	Aristocrat Leisure	1,715	1.48
China (0.00%)		1,749	1.51
201,000	Ping An Insurance 'H'	1,749	1.51
8,100,000	Tianhe Chemicals*	-	-
Hong Kong (0.00%)		1,880	1.62
243,668	AIA	1,880	1.62
Indonesia (0.00%)		1,284	1.11
5,643,284	Bank Rakyat Indonesia	1,284	1.11
Macau (0.00%)		2,894	2.50
794,800	Sands China	2,894	2.50
South Korea (0.00%)		1,108	0.95
4,671	LG Chemical	1,108	0.95
Taiwan (0.00%)		1,430	1.23
175,000	Taiwan Semiconductors Manufacturing	1,430	1.23
UK Equities (5.39%)		8,639	7.45
Consumer Services (0.79%)		2,092	1.80
112,069	RELX	2,092	1.80
Financials (0.97%)		-	-
Health Care (0.00%)		2,524	2.18
37,148	AstraZeneca	2,524	2.18

Holding	Investment	Market value £'000	Percentage of total net assets
Industrials (0.49%)		1,707	1.47
280,657	BAE Systems	1,707	1.47
Oil & Gas (2.34%)		2,316	2.00
584,668	BP	2,316	2.00
Telecommunications (0.80%)		-	-
Total investment assets		114,696	98.89
Net other assets		1,288	1.11
Total Net Assets		115,984	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

* Suspended

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	8,348	(2,846)
Revenue	4	3,963	4,408
Expenses	5	(1,277)	(1,339)
Interest payable and similar charges		(1)	(2)
Net revenue before taxation		2,685	3,067
Taxation	6	(397)	(425)
Net revenue after taxation		2,288	2,642
Total return before distributions		10,636	(204)
Distributions	7	(2,341)	(2,713)
Change in net assets attributable to shareholders from investment activities		8,295	(2,917)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	122,152	146,850
Amounts receivable on the issue of shares	8,023	3,978
Amounts payable on the cancellation of shares	(24,626)	(28,220)
	(16,603)	(24,242)
Dilution adjustment	2	39
Change in net assets attributable to shareholders from investment activities (see above)	8,295	(2,917)
Retained distribution on accumulation shares	2,138	2,422
Closing net assets attributable to shareholders	115,984	122,152

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		114,696	119,415
Current assets:			
Debtors	8	2,951	500
Cash and bank balances		955	2,532
		3,906	3,032
Total assets		118,602	122,447
Liabilities:			
Creditors	9	(2,585)	(255)
Distribution payable		(33)	(40)
		(2,618)	(295)
Total liabilities		(2,618)	(295)
Net assets attributable to shareholders		115,984	122,152

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	8,379	(2,879)
Forward currency contracts	–	6
Other (losses)/gains	(20)	42
Transaction charges	(11)	(15)
Net capital gains/(losses)	8,348	(2,846)

3 Equity Purchases, Sales and Transaction Costs

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	67,771	71,010	80,900	93,524
Corporate actions	–	229	107	143
Trades in the year before transaction costs	67,771	71,239	81,007	93,667
Commissions				
Equities	35	28	(40)	(44)
Total commissions	35	28	(40)	(44)
Taxes				
Equities	55	24	(2)	(10)
Total taxes	55	24	(2)	(10)
Total transaction costs	90	52	(42)	(54)
Total net trades in the year after transaction costs	67,861	71,291	80,965	93,613

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.04	0.05	0.05
Taxes				
Equities	0.08	0.03	–	0.01

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.05
Taxes	0.04	0.03

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.10% (2019: 0.07%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	380	563
Overseas dividends	3,571	3,841
Bank interest	12	4
Total revenue	3,963	4,408

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,202	1,253
Dealing charge	9	13
Registration fees	24	32
	1,235	1,298
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	17	20
Safe custody fee	9	11
	26	31
Other:		
Professional fees	7	1
Audit fee	9	9
	16	10
Total expenses	1,277	1,339

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	397	425
Total current tax	397	425
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	2,685	3,067
Corporation tax at 20% (2019: 20%)	537	614
Effects of:		
Revenue not subject to taxation	(747)	(831)
Overseas taxes	397	425
Overseas tax expensed	(5)	(7)
Excess allowable expenses	215	224
Total tax charge for year (note 6a)	397	425

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,321,000 (2019: £2,106,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	1,005	1,075
Second interim distribution	373	634
Third interim distribution	469	485
Final distribution	447	449
	2,294	2,643
Add: Income deducted on cancellation of shares	68	80
Deduct: Income received on issue of shares	(21)	(10)
Net distribution for the year	2,341	2,713

Details of the distribution per share are set out in this Fund's distribution tables.

	2020 £'000	2019 £'000
Net revenue after taxation	2,288	2,642
Annual ACD charge to capital	47	62
Registration fees taken from the capital account	6	9
	2,341	2,713

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	9	55
Sales awaiting settlement	2,484	–
Accrued revenue	333	328
Foreign withholding tax recoverable	125	117
Total debtors	2,951	500

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	458	149
Purchases awaiting settlement	2,013	–
Accrued expenses payable to ACD	98	92
Accrued expenses payable to the Depositary or associates of the Depositary	5	6
Other accrued expenses	11	8
Total creditors	2,585	255

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail Founder accumulation	31,217,167	72,970	(2,576,571)	(91,341)	28,622,225
Institutional Founder accumulation	2,404,940	52,911	(485,767)	18,249	1,990,333
Retail Founder income	1,043,936	459,891	(48,297)	–	1,455,530
Institutional Founder income	280,083	58,903	(82,924)	–	256,062
Standard Life income	113	953	–	–	1,066
Standard Life accumulation	337,519	26,336	(69,971)	–	293,884
Retail accumulation	8,022,491	5,799,223	(6,034,308)	(53,159)	7,734,247
Institutional accumulation	4,600,338	71,335	(1,501,570)	(19,666)	3,150,437
Retail income	433,061	7,723	(1,240)	(127,597)	311,947
Institutional income	892,196	15,529	(433,574)	–	474,151
Platform 1 accumulation	14,504,662	378,432	(4,044,239)	259,573	11,098,428
Platform 1 income	5,854,701	347,295	(2,799,471)	122,397	3,524,922

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	114,696	–	–	119,415	–	–
Total investment assets	114,696	–	–	119,415	–	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £5,735,000 (2019: £5,971,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £5,351,000 (2019: £5,615,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	1,715	4,747
Brazilian Real	1,287	6
Danish Krone	1,500	2,274
Euro	18,730	18,131
Hong Kong Dollar	6,523	–
Indonesian Rupiah	1,328	–
Japanese Yen	4,835	7,717
Mexican Peso	1,421	–
Norwegian Krone	3,015	2,575
Singapore Dollar	1,150	–
South Korean Won	1,113	990
Swiss Franc	4,600	3,320
Taiwan Dollar	1,257	–
US Dollar	58,536	72,533

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	896	8,078	8,974
Australian Dollar	–	1,715	1,715
Brazilian Real	2	1,285	1,287
Danish Krone	–	1,500	1,500
Euro	6	18,724	18,730
Hong Kong Dollar	–	6,523	6,523
Indonesian Rupiah	–	1,328	1,328
Japanese Yen	–	4,835	4,835
Mexican Peso	–	1,421	1,421
Norwegian Krone	–	3,015	3,015
Singapore Dollar	20	1,130	1,150
South Korean Won	–	1,113	1,113

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Swiss Franc	–	4,600	4,600
Taiwan Dollar	8	1,249	1,257
US Dollar	22	58,514	58,536
2019			
Currency			
UK Sterling	2,506	7,353	9,859
Australian Dollar	–	4,747	4,747
Brazilian Real	2	6	6
Danish Krone	–	2,274	2,274
Euro	6	18,125	18,131
Japanese Yen	–	7,717	7,717
Norwegian Krone	–	2,575	2,575
Swedish Krona	–	990	990
Swiss Franc	–	3,320	3,320
US Dollar	22	72,511	72,533

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Founder Accumulation' was 311.14p. The Net Asset Value of share class 'Institutional Founder Accumulation' as at 12 noon on 17 June 2020 was 318.06p. This represents an increase of 2.22% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail Founder accumulation				
Group 1	2.2037	-	2.2037*	1.9687
Group 2	1.5045	0.6992	2.2037*	1.9687
Institutional Founder accumulation				
Group 1	2.7307	-	2.7307*	2.4481
Group 2	2.0476	0.6831	2.7307*	2.4481
Retail Founder income				
Group 1	0.8859	-	0.8859**	0.8273
Group 2	0.4969	0.3890	0.8859**	0.8273
Institutional Founder income				
Group 1	0.9151	-	0.9151**	0.8510
Group 2	0.3602	0.5549	0.9151**	0.8510
Standard Life income				
Group 1	0.9196	-	0.9196**	0.9465
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.9378	-	0.9378*	0.8460
Group 2	0.6541	0.2837	0.9378*	0.8460
Retail accumulation				
Group 1	0.7391	-	0.7391*	0.6593
Group 2	0.0720	0.6671	0.7391*	0.6593
Institutional accumulation				
Group 1	0.9014	-	0.9014*	0.8066
Group 2	0.5403	0.3611	0.9014*	0.8066
Retail income				
Group 1	0.8582	-	0.8582**	0.8040
Group 2	0.1480	0.7102	0.8582**	0.8040
Institutional income				
Group 1	0.8993	-	0.8993**	0.8383
Group 2	0.5350	0.3643	0.8993**	0.8383
Platform 1 accumulation				
Group 1	0.8685	-	0.8685*	0.7769
Group 2	0.4281	0.4404	0.8685*	0.7769
Platform 1 income				
Group 1	0.8952	-	0.8952**	0.8347
Group 2	0.3450	0.5502	0.8952**	0.8347

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail Founder accumulation				
Group 1	0.8119	-	0.8119*	1.1857
Group 2	0.5377	0.2742	0.8119*	1.1857
Institutional Founder accumulation				
Group 1	1.2332	-	1.2332*	1.6107
Group 2	0.3772	0.8560	1.2332*	1.6107
Retail Founder income				
Group 1	0.4719	-	0.4719**	0.5856
Group 2	0.2453	0.2266	0.4719**	0.5856
Institutional Founder income				
Group 1	0.4881	-	0.4881**	0.6031
Group 2	0.3445	0.1436	0.4881**	0.6031
Standard Life income				
Group 1	0.5482	-	0.5482**	0.6115
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	0.4915	-	0.4915*	0.5923
Group 2	0.3646	0.1269	0.4915*	0.5923
Retail accumulation				
Group 1	0.2183	-	0.2183*	0.3635
Group 2	0.0551	0.1632	0.2183*	0.3635
Institutional accumulation				
Group 1	0.3646	-	0.3646*	0.5026
Group 2	0.1097	0.2549	0.3646*	0.5026
Retail income				
Group 1	0.4568	-	0.4568**	0.5686
Group 2	0.2784	0.1784	0.4568**	0.5686
Institutional income				
Group 1	0.4791	-	0.4791**	0.5914
Group 2	0.1381	0.3410	0.4791**	0.5914
Platform 1 accumulation				
Group 1	0.3424	-	0.3424*	0.4798
Group 2	0.2105	0.1319	0.3424*	0.4798
Platform 1 income				
Group 1	0.4769	-	0.4769**	0.5896
Group 2	0.2853	0.1916	0.4769**	0.5896

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail Founder accumulation				
Group 1	1.0656	-	1.0656*	0.9368
Group 2	0.6276	0.4380	1.0656*	0.9368
Institutional Founder accumulation				
Group 1	1.5113	-	1.5113*	1.3297
Group 2	0.8086	0.7027	1.5113*	1.3297
Retail Founder income				
Group 1	0.5449	-	0.5449**	0.4972
Group 2	-	-	-	-
Institutional Founder income				
Group 1	0.5639	-	0.5639**	0.5126
Group 2	0.2032	0.3607	0.5639**	0.5126
Standard Life income				
Group 1	0.5794	-	0.5794**	0.4244
Group 2	0.3230	0.2564	0.5794**	0.4244
Standard Life accumulation				
Group 1	0.5881	-	0.5881*	0.5154
Group 2	0.3930	0.1951	0.5881*	0.5154
Retail accumulation				
Group 1	0.3090	-	0.3090*	0.2738
Group 2	0.1392	0.1698	0.3090*	0.2738
Institutional accumulation				
Group 1	0.4645	-	0.4645*	0.4075
Group 2	0.2736	0.1909	0.4645*	0.4075
Retail income				
Group 1	0.5271	-	0.5271**	0.4824
Group 2	0.2978	0.2293	0.5271**	0.4824
Institutional income				
Group 1	0.5550	-	0.5550**	0.5032
Group 2	0.3934	0.1616	0.5550**	0.5032
Platform 1 accumulation				
Group 1	0.4393	-	0.4393*	0.3855
Group 2	0.1358	0.3035	0.4393*	0.3855
Platform 1 income				
Group 1	0.5511	-	0.5511**	0.5020
Group 2	0.2961	0.2550	0.5511**	0.5020

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail Founder accumulation				
Group 1	1.0381	-	1.0381*	0.9037
Group 2	0.7987	0.2394	1.0381*	0.9037
Institutional Founder accumulation				
Group 1	1.4988	-	1.4988*	1.2846
Group 2	0.7682	0.7306	1.4988*	1.2846
Retail Founder income				
Group 1	0.5402	-	0.5402**	0.4765
Group 2	0.2932	0.2470	0.5402**	0.4765
Institutional Founder income				
Group 1	0.5607	-	0.5607**	0.4919
Group 2	0.4852	0.0755	0.5607**	0.4919
Standard Life income				
Group 1	0.5710	-	0.5710**	0.5571
Group 2	-	-	-	0.5571
Standard Life accumulation				
Group 1	0.5789	-	0.5789*	0.4874
Group 2	0.3410	0.2379	0.5789*	0.4874
Retail accumulation				
Group 1	0.3032	-	0.3032*	0.2640
Group 2	0.2424	0.0608	0.3032*	0.2640
Institutional accumulation				
Group 1	0.4569	-	0.4569*	0.3931
Group 2	0.3129	0.1440	0.4569*	0.3931
Retail income				
Group 1	0.5222	-	0.5222**	0.4618
Group 2	0.3394	0.1828	0.5222**	0.4618
Institutional income				
Group 1	0.5488	-	0.5488**	0.4830
Group 2	0.2402	0.3086	0.5488**	0.4830
Platform 1 accumulation				
Group 1	0.4324	-	0.4324*	0.3709
Group 2	0.2658	0.1666	0.4324*	0.3709
Platform 1 income				
Group 1	0.5466	-	0.5466**	0.4808
Group 2	0.3322	0.2144	0.5466**	0.4808

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Global Smaller Companies Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in Global small-capitalisation equities (company shares).

Performance Target: To achieve the return of the MSCI AC World Small Cap Index, plus 3% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA Global Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in small-capitalisation equities and equity related securities of companies listed on global stock exchanges.
- Small capitalisation companies are defined as any stock included in the MSCI AC World Small Cap Index or, if not included within the index, any stock having a market capitalisation smaller than that of the stock with the largest market capitalisation in such index.
- The Fund may also invest in mid and larger capitalisation companies listed on global stock exchanges.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at country, sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the MSCI AC World Small Cap Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI AC World Small Cap Index.

Please note: The Fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the Fund may not be able to sell their investment when they want to.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance review

Over the period under review, the Fund returned -1.6%. This compared to a return of 4.0% for our performance target (the MSCI AC World Small Cap Index +3%).

Profits at HMS Holdings fell short of expectations. This was largely due to a timing issue in the company's healthcare payments auditing business. We expect the business to bounce back, and have retained the holding. Abiomed, the US-based maker of heart pumps, was a large detractor from performance as it experienced a period of slower sales growth. It also suffered from confusion around product efficacy. While disappointing, we believe the company will resolve these issues. Abiomed remains the clear market leader in heart-pump technology. US-based company Alarm.com was weak due to slower growth in its core software-as-a-service home security product. We sold this holding, as it has experienced earnings downgrades after announcing its expansion plans and the costs involved. While the interactive security software company may see this pay off in the long term, we were concerned it may be more of a response to increased competition.

JD Sports Fashions' shares rose on optimism in the wake of the UK general election that a majority government would lead to improving economic growth and higher spending in the high street. Growth at the UK-listed sportswear retailer was well above other retailers, and the company demonstrated good progress in its overseas expansion. MarketAxess had a positive impact on Fund returns. The US-listed trading platform is the market leader in the electronic dealing of corporate bonds. It has continued to grow trading volumes on its platform, increasing its market share. It also recently entered the government bond space via an acquisition. The countercyclical nature of its business model provides diversification benefits for the Fund. Another strong performer was Kornit Digital, whose share price moved ahead when the company announced a new customer win. The Israeli maker of digital printers for the textile industry agreed to sell printers to Gear for Sports (owned by Hanesbrands of the US) which makes clothes for Under Armour and Champion among other brands.

Investment activity

We established a holding in US-based Axon Enterprises. The company is the market leader in non-lethal stun guns with its Taser product, supplying police forces around the world. Future growth should come from building out a technology ecosystem that improves officer safety and efficiency with products such as body cameras. We built a new position in Keywords Studios. This UK-based company provides services to video game developers, such as the testing of games and language translation. We bought Trainline, the UK online train ticket retailer. The business has a dominant market share with years of investment in its online platform now behind it. This now acts as a considerable barrier to entry. We bought Generac, the leading manufacturer of residential standby generators in the US. The company is seeing increasing demand as severe electrical power outages rise, in part as a result of underinvestment in the power grid nationally. We bought Chemed, a US company that provides hospice and home-care services to the elderly as well as operating a separate plumbing business.

We sold UK mixer-drinks business Fever-Tree on news that US sales have been below expectations. We had been reducing our position over the last year as earnings growth slowed, but completed the exit on this news. Elsewhere, we sold DoValue, which is an Italian debt servicing company that we think is now fully pricing in the additional growth coming from recent acquisitions. Lastly, we sold TCI Co. We have concerns about the continued impact on sales from tighter regulation in the health food supplement market.

Outlook

Investor nervousness around coronavirus heightened significantly during February. The equity market sell-off has been fairly indiscriminate, with investors not differentiating between low- and high-quality companies. We would expect this to change if the outbreak becomes more protracted. We feel comfortable retaining our positioning towards higher-quality companies with good long-term growth prospects, with a clear aversion to speculative and loss-making businesses.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	132.37	128.93	107.54
Return before operating charges*	0.09	5.45	23.17
Operating charges	(2.08)	(2.01)	(1.78)
Return after operating charges*	(1.99)	3.44	21.39
Closing net asset value per share	130.38	132.37	128.93
 * after direct transaction costs of:	 0.17	 0.13	 0.15
Performance			
Return after charges	(1.50%)	2.67%	19.89%
Other information			
Closing net asset value (£'000)	161,075	199,176	145,052
Closing number of shares	123,540,788	150,472,730	112,501,094
Operating charges	1.47%	1.47%	1.47%
Direct transaction costs	0.12%	0.10%	0.13%
Prices			
Highest share price	150.4	155.9	131.8
Lowest share price	129.9	116.1	105.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	139.30	135.00	112.02
Return before operating charges*	0.04	5.68	24.19
Operating charges	(1.42)	(1.38)	(1.21)
Return after operating charges*	(1.38)	4.30	22.98
Closing net asset value per share	137.92	139.30	135.00
 * after direct transaction costs of:	 0.18	 0.14	 0.16
Performance			
Return after charges	(0.99%)	3.19%	20.51%
Other information			
Closing net asset value (£'000)	167,990	163,516	173,783
Closing number of shares	121,800,968	117,384,210	128,729,440
Operating charges	0.95%	0.95%	0.95%
Direct transaction costs	0.12%	0.10%	0.13%
Prices			
Highest share price	158.6	163.6	137.9
Lowest share price	137.1	122.1	110.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	148.17	142.37	117.14
Return before operating charges*	(0.03)	5.95	25.37
Operating charges	(0.16)	(0.15)	(0.14)
Return after operating charges*	(0.19)	5.80	25.23
Distributions	(1.20)	(1.06)	(1.06)
Retained distributions on accumulation shares	1.20	1.06	1.06
Closing net asset value per share	147.98	148.17	142.37
 * after direct transaction costs of:	 0.19	 0.15	 0.17
Performance			
Return after charges	(0.13%)	4.07%	21.54%
Other information			
Closing net asset value (£'000)	98,122	95,691	49,909
Closing number of shares	66,305,556	64,580,344	35,055,625
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	0.12%	0.10%	0.13%
Prices			
Highest share price	169.4	173.3	145.3
Lowest share price	145.9	129.7	115.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	133.84	129.83	107.84
Return before operating charges*	0.06	5.46	23.27
Operating charges	(1.50)	(1.45)	(1.28)
Return after operating charges*	(1.44)	4.01	21.99
Closing net asset value per share	132.40	133.84	129.83
 * after direct transaction costs of:	 0.17	 0.13%	 0.15%
Performance			
Return after charges	(1.08%)	3.09%	20.39%
Other information			
Closing net asset value (£'000)	230,572	297,485	163,376
Closing number of shares	174,147,951	222,265,852	125,842,301
Operating charges	1.05%	1.05%	1.05%
Direct transaction costs	0.12%	0.10%	0.13%
Prices			
Highest share price	152.4	157.3	132.7
Lowest share price	131.7	117.3	106.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	102.52	99.18	82.16
Return before operating charges*	0.04	4.16	17.75
Operating charges	(0.86)	(0.82)	(0.73)
Return after operating charges*	(0.82)	3.34	17.02
Distributions	(0.08)	(0.02)	(0.12)
Retained distributions on accumulation shares	0.08	0.02	0.12
Closing net asset value per share	101.70	102.52	99.18
 * after direct transaction costs of:	 0.13	 0.10	 0.12
Performance			
Return after charges	(0.80%)	3.37%	20.72%
Other information			
Closing net asset value (£'000)	434,886	556,635	312,360
Closing number of shares	427,630,496	542,931,531	314,935,186
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs	0.12%	0.10%	0.13%
Prices			
Highest share price	116.8	120.3	101.3
Lowest share price	100.9	89.84	80.77

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (98.01%)		1,058,583	96.89
Emerging Market Equities (0.00%)		37,612	3.44
Brazil (0.00%)		1,490	0.14
542,267	Odontoprev	1,490	0.14
Israel (0.00%)		36,122	3.30
1,161,008	Kornit Digital	36,122	3.30
European Equities (15.44%)		157,154	14.39
France (3.44%)		40,718	3.73
215,608	Teleperformance	40,718	3.73
Germany (6.00%)		18,646	1.71
386,133	Nemetschek	18,646	1.71
Ireland (0.00%)		20,779	1.90
1,356,325	Keywords Studios++	20,779	1.90
Italy (4.63%)		45,714	4.18
2,994,221	FinecoBank	24,436	2.23
905,643	Interpump	21,278	1.95
Netherlands (0.11%)		-	-
Poland (0.00%)		19,112	1.75
679,247	Dino Polska	19,112	1.75
Spain (1.26%)		12,185	1.12
775,954	CIE Automotive	12,185	1.12
Japanese Equities (7.27%)		117,689	10.77
73,600	Disco	11,672	1.07
406,653	GMO Payment Gateway	19,451	1.78
1,632,605	Mani	27,100	2.48
1,551,100	Nihon M&A Center	36,814	3.37
488,400	Technopro	22,652	2.07
North American Equities (42.72%)		436,898	39.99
United States (42.72%)		436,898	39.99
1,100,053	ACI Worldwide	23,994	2.20
204,307	Aspen Technology	17,038	1.56
610,429	Axon Enterprise	36,990	3.38
108,835	Cabot Microelectronics	11,868	1.09

Holding	Investment	Market value £'000	Percentage of total net assets
1,015,390	Chegg	31,162	2.85
33,466	Chemed	10,959	1.00
358,149	Cubic	15,265	1.40
209,997	Envestnet	12,411	1.14
2,020,981	Evolent Health	14,604	1.34
274,136	Generac	22,104	2.02
1,367,018	HMS	24,583	2.25
263,164	Insulet	39,144	3.58
858,022	Lattice Semiconductor	12,051	1.10
69,768	MarketAxess Holdings	17,716	1.62
223,173	MAXIMUS	11,006	1.01
395,556	Paylocity	40,107	3.67
189,800	Poolcorp	31,354	2.87
914,150	ServiceMaster	25,579	2.34
393,765	Wabtec	21,163	1.94
425,691	Wintrust	17,800	1.63
Pacific Basin Equities (18.16%)		195,560	17.90
Australia (4.86%)		71,589	6.55
7,209,992	ALS	30,207	2.76
1,345,694	Altium	20,881	1.91
1,960,180	Appen	20,501	1.88
China (7.79%)		36,366	3.33
263,733	51job	15,380	1.41
2,182,872	Shenzhou	20,986	1.92
Indonesia (0.00%)		9,357	0.86
49,131,643	Map Aktif Adiperkasa	9,357	0.86
South Korea (1.45%)		-	-
Taiwan (4.06%)		78,248	7.16
6,821,000	Sinbon Electronics	23,016	2.10
7,329,000	Taiwan Union Technology	25,203	2.31
1,652,063	Voltronic Power Technology	30,029	2.75
UK Equities (14.42%)		113,670	10.40
Consumer Goods (5.22%)		12,950	1.19
1,757,550	JD Sports	12,950	1.19
Consumer Services (0.69%)		56,718	5.19
1,999,699	Dart Group++	24,556	2.25
1,708,109	Future	19,712	1.80
2,686,058	Trainline	12,450	1.14

Holding	Investment	Market value £'000	Percentage of total net assets
Health Care (0.00%)		22,232	2.03
704,441	Genus	22,232	2.03
Industrials (5.79%)		21,770	1.99
4,154,602	RWS++	21,770	1.99
Technology (2.72%)		-	-
Collective Investment Schemes (2.49%)		37,748	3.45
37,748	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	37,748	3.45
Total investment assets		1,096,331	100.34
Net other liabilities		(3,686)	(0.34)
Total Net Assets		1,092,645	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

		2020	2019
	Notes	£'000	£'000
Income:			
Net capital gains/(losses)	2	3,302	(9,147)
Revenue	4	12,057	9,822
Expenses	5	(11,836)	(11,326)
Interest payable and similar charges		(19)	(20)
Net revenue/(expense) before taxation		202	(1,524)
Taxation	6	(757)	(584)
Net expense after taxation		(555)	(2,108)
Total return before distributions		2,747	(11,255)
Distributions	7	(1,304)	(244)
Change in net assets attributable to shareholders from investment activities		1,443	(11,499)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020	2019
	£'000	£'000
Opening net assets attributable to shareholders	1,312,503	844,482
Amounts receivable on the issue of shares	85,414	680,970
Amounts payable on the cancellation of shares	(307,846)	(203,840)
	(222,432)	477,130
Dilution adjustment	–	1,590
Change in net assets attributable to shareholders from investment activities (see above)	1,443	(11,499)
Retained distribution on accumulation shares	1,131	800
Closing net assets attributable to shareholders	1,092,645	1,312,503

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		1,096,331	1,319,039
Current assets:			
Debtors	8	8,954	4,517
Cash and bank balances		2,469	2,038
		11,423	6,555
Total assets		1,107,754	1,325,594
Liabilities:			
Creditors	9	(15,094)	(13,091)
Bank overdrafts		(15)	-
		(15,109)	(13,091)
Total liabilities		(15,109)	(13,091)
Net assets attributable to shareholders		1,092,645	1,312,503

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	3,550	(9,127)
Forward currency contracts	(14)	18
Other (losses)/gains	(197)	1
Transaction charges	(37)	(39)
Net capital gains/(losses)	3,302	(9,147)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	644,044	808,428	877,107	316,377
Collective investment schemes	399,600	422,432	394,478	416,286
Corporate actions	146	69	–	–
Trades in the year before transaction costs	1,043,790	1,230,929	1,271,585	732,663
Commissions				
Equities	552	453	(530)	(183)
Total commissions	552	453	(530)	(183)
Taxes				
Equities	286	507	(168)	(22)
Total taxes	286	507	(168)	(22)
Total transaction costs	838	960	(698)	(205)
Total net trades in the year after transaction costs	1,044,628	1,231,889	1,270,887	732,458

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.09	0.06	0.06	0.06
Taxes				
Equities	0.04	0.06	0.02	0.01
			2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value				
Commissions			0.08	0.06
Taxes			0.03	0.04

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.33% (2019: 0.20%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	1,114	1,603
Overseas dividends	10,756	7,958
Taxable distributions on offshore funds	187	113
Bank interest	–	148
Total revenue	12,057	9,822

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	10,389	10,018
Dealing charge	304	275
Registration fees	889	821
	11,582	11,114
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	84	80
Safe custody fee	137	120
	221	200
Other:		
Professional fees	24	3
Audit fee	9	9
	33	12
Total expenses	11,836	11,326

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	757	584
Total current tax	757	584
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the greater than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue/(expense) before taxation	202	(1,524)
Corporation tax at 20% (2019: 20%)	41	(305)
Effects of:		
Revenue not subject to taxation	(2,355)	(1,912)
Overseas taxes	757	584
Overseas tax expensed	(3)	–
Excess allowable expenses	2,317	2,217
Total tax charge for year (note 6a)	757	584

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,266,000 (2019: £5,948,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	1,131	800
Add: Income deducted on cancellation of shares	273	66
Deduct: Income received on issue of shares	(100)	(622)
Net distribution for the year	1,304	244

Details of the distribution per share are set out in this Fund's distribution table.

	2020 £'000	2019 £'000
Net expense after taxation	(555)	(2,108)
Shortfall transfer from capital to income	1,859	2,352
	1,304	244

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	39	1,106
Sales awaiting settlement	8,327	2,797
Accrued revenue	381	451
Foreign withholding tax recoverable	207	163
Total debtors	8,954	4,517

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	8,707	912
Purchases awaiting settlement	5,491	11,237
Accrued expenses payable to ACD	840	883
Accrued expenses payable to the Depositary or associates of the Depositary	30	47
Other accrued expenses	26	12
Total creditors	15,094	13,091

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	150,472,730	12,292,818	(28,454,349)	(10,770,411)	123,540,788
Institutional accumulation	117,384,210	24,320,369	(20,948,996)	1,045,385	121,800,968
Standard Life accumulation	64,580,344	12,404,345	(10,663,177)	(15,956)	66,305,556
Platform 1 accumulation	222,265,852	4,688,826	(52,610,013)	(196,714)	174,147,951
Institutional S accumulation	542,931,531	5,096,276	(133,141,988)	12,744,677	427,630,496

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	1,058,583	–	–	1,286,413	–	–
Collective Investment Schemes	–	37,748	–	–	32,626	–
Total investment assets	1,058,583	37,748	–	1,286,413	32,626	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

In the current market conditions certain securities have become difficult to price. For these securities, reliance has therefore been placed on single broker prices. This has not resulted in any adjustment to the financial statements.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £54,817,000 (2019: £65,952,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £46,613,000 (2019: £54,822,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	74,536	63,832
Brazilian Real	1,490	–
Euro	118,368	204,843
Hong Kong Dollar	20,986	63,583
Indonesian Rupiah	9,357	–
Japanese Yen	117,904	95,649
Polish Zloty	19,112	–
South Korean Won	26	19,084
Taiwan Dollar	77,230	53,243
US Dollar	493,243	596,209

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	37,733	122,660	160,393
Australian Dollar	–	74,536	74,536
Brazilian Real	–	1,490	1,490
Euro	898	117,470	118,368
Hong Kong Dollar	–	20,986	20,986
Indonesian Rupiah	–	9,357	9,357
Japanese Yen	75	117,829	117,904
Polish Zloty	–	19,112	19,112
South Korean Won	–	26	26
Taiwan Dollar	1,019	76,211	77,230
US Dollar	477	492,766	493,243
2019			
Currency			
UK Sterling	32,627	183,433	216,060
Australian Dollar	–	63,832	63,832
Euro	894	203,949	204,843
Hong Kong Dollar	–	63,583	63,583
Japanese Yen	–	95,649	95,649
South Korean Won	–	19,084	19,084
Taiwan Dollar	–	53,243	53,243
US Dollar	1,142	595,067	596,209

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 137.92p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 157.25p. This represents an increase of 14.02% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Institutional accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	1.1962	-	1.1962*	1.0623
Group 2	0.5957	0.6005	1.1962*	1.0623
Platform 1 accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
Institutional S accumulation				
Group 1	0.0790	-	0.0790*	0.0210
Group 2	-	0.0790	0.0790*	-

* Distribution accumulated on 29 February 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Global Unconstrained Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in global equities (company shares).

Performance Target: To achieve the return of the MSCI AC World Index plus 3% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: The IA's Global Equity sector.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed on global stock exchanges.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a concentrated asset mix at country, sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the MSCI AC World Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI AC World Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance review

Over the period under review, the Fund returned 9.6%. This compared to a return of 11.5% for our performance target (the MSCI AC World Index +3%).

Treasury Wine Estates detracted from performance. The Australian company's earnings forecasts were reduced, principally caused by challenges in its US business, leadership change and higher costs. Cineworld underperformed. The UK-based cinema operator continued to be overshadowed by worries it is losing audience share to video streaming. In particular, disappointing box office numbers made investors nervous. However, management has acknowledged the challenge from streaming services and taken steps to address this.

Fidelity National Information Services, the US-based financial services technology company, outperformed. Its purchase of competitor Worldpay in a \$43 billion deal was well received by investors. The rapid growth of online and card payments has spurred consolidation of the payment processing industry. Welcia, the Japanese pharmacy-convenience store operator, added value after delivering higher-than-expected revenue and profit growth. The US datacentre operator Equinix also did well. The firm reported strong second-quarter results that fed through to another rise in its full-year earnings guidance. US firm Nextera announced better-than-expected results. Management also confirmed continued progress in reducing production costs for renewables, which we expect to fall below that for traditional sources of energy.

Activity

We initiated a position in German residential property company Vonovia. The business has an attractive long-term growth opportunity in German residential real estate. In September, we initiated a holding in Facebook on valuation grounds, given its growth opportunities. Buying also included NXP Semiconductors, a US company whose main customer is the automotive industry. Its appeal is a combination of attractive valuations and a focus on cost controls.

Sales included trimming the holding in Mastercard. The shares had performed well, and its high valuation did not reflect our conviction of the company's risk-reward profile. We took profits in Kone, the Finnish elevator manufacturer. Tighter credit conditions for Chinese real estate developers would act as a significant potential drag on Kone's revenues. We decided to exit Alphabet, replacing it with Facebook. Google's parent is more exposed to anti-trust regulation given its business model – having a dominant position in corporate advertising budgets. We removed First Republic Bank. After a period of outperformance, its valuation had reached a point where further gains looked limited. Lastly, we sold Equinix. The US datacentre owner is another holding where its price now fully reflected the opportunity.

Outlook

The positive outlook for companies at the start of the year has been overwhelmed by the spread of the coronavirus globally. This will cause a sharp slowdown in economic activity and lead to earnings downgrades for many companies. The equity market sell-off has been fairly indiscriminate. For now, it is hard to see a sustained recovery until there are clear signs that the virus has peaked and been contained. When this happens, we expect a sharp recovery in markets.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- Investing in China A shares involves special considerations and risks, including without limitation greater price volatility, less developed regulatory and legal framework, exchange rate risk/ controls, settlement, tax, quota, liquidity and regulatory risks.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund may invest in companies with Variable Interest Entity (VIE) structures in order to gain exposure to industries with foreign ownership restrictions. There is a risk that investments in these structures may be adversely affected by changes in the legal and regulatory framework.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

	2020	2019	2018
Retail accumulation	pence per share	pence per share	pence per share
Change in net assets per share			
Opening net asset value per share	126.56	129.12	125.60
Return before operating charges*	14.24	(0.77)	5.33
Operating charges	(1.98)	(1.79)	(1.81)
Return after operating charges*	12.26	(2.56)	3.52
Distributions	(0.30)	(0.61)	(0.07)
Retained distributions on accumulation shares	0.30	0.61	0.07
Closing net asset value per share	138.82	126.56	129.12
 * after direct transaction costs of:	 0.16	 0.18	 0.25
Performance			
Return after charges	9.69%	(1.98%)	2.80%
Other information			
Closing net asset value (£'000)	14,316	15,106	21,234
Closing number of shares	10,312,272	11,935,395	16,445,186
Operating charges	1.38%	1.39%	1.38%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	155.6	139.0	136.6
Lowest share price	127.4	115.1	122.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	143.81	146.04	141.40
Return before operating charges*	16.17	(0.88)	5.99
Operating charges	(1.49)	(1.35)	(1.35)
Return after operating charges*	14.68	(2.23)	4.64
Distributions	(1.11)	(1.38)	(0.77)
Retained distributions on accumulation shares	1.11	1.38	0.77
Closing net asset value per share	158.49	143.81	146.04
 * after direct transaction costs of:	 0.18	 0.21	 0.29
Performance			
Return after charges	10.21%	(1.53%)	3.28%
Other information			
Closing net asset value (£'000)	17,281	21,131	35,225
Closing number of shares	10,903,310	14,693,474	24,119,704
Operating charges	0.91%	0.92%	0.91%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	177.6	157.5	154.4
Lowest share price	144.7	130.7	137.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	63.34	64.94	63.20
Return before operating charges*	7.12	(0.39)	2.69
Operating charges	(0.99)	(0.90)	(0.91)
Return after operating charges*	6.13	(1.29)	1.78
Distributions	(0.15)	(0.31)	(0.04)
Closing net asset value per share	69.32	63.34	64.94
 * after direct transaction costs of:	 0.08	 0.09	 0.13
Performance			
Return after charges	9.68%	(1.99%)	2.82%
Other information			
Closing net asset value (£'000)	937	976	1,169
Closing number of shares	1,351,971	1,541,464	1,800,393
Operating charges	1.38%	1.39%	1.38%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	77.87	69.89	68.75
Lowest share price	63.75	57.89	61.50

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	124.27	125.18	120.23
Return before operating charges*	13.95	(0.76)	5.09
Operating charges	(0.16)	(0.15)	(0.14)
Return after operating charges*	13.79	(0.91)	4.95
Distributions	(2.10)	(2.19)	(1.67)
Retained distributions on accumulation shares	2.10	2.19	1.67
Closing net asset value per share	138.06	124.27	125.18
 * after direct transaction costs of:	 0.15	 0.18	 0.25
Performance			
Return after charges	11.10%	(0.73%)	4.12%
Other information			
Closing net asset value (£'000)	3,250	3,993	4,353
Closing number of shares	2,354,170	3,213,198	3,477,046
Operating charges	0.11%	0.12%	0.11%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	154.7	135.5	132.2
Lowest share price	125.1	112.8	117.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	128.92	130.39	125.73
Return before operating charges*	14.45	(0.79)	5.33
Operating charges	(0.75)	(0.68)	(0.67)
Return after operating charges*	13.70	(1.47)	4.66
Distributions	(1.58)	(1.76)	(1.22)
Retained distributions on accumulation shares	1.58	1.76	1.22
Closing net asset value per share	142.62	128.92	130.39
 * after direct transaction costs of:	 0.16	 0.19	 0.26
Performance			
Return after charges	10.63%	(1.13%)	3.71%
Other information			
Closing net asset value (£'000)	55,587	73,123	93,641
Closing number of shares	38,975,168	56,719,756	71,817,992
Operating charges	0.51%	0.52%	0.51%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	159.8	140.9	137.8
Lowest share price	129.8	117.1	122.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	104.32	106.04	102.76
Return before operating charges*	11.75	(0.64)	4.37
Operating charges	(1.20)	(1.08)	(1.09)
Return after operating charges*	10.55	(1.72)	3.28
Distributions	(0.69)	(0.90)	(0.46)
Retained distributions on accumulation shares	0.69	0.90	0.46
Closing net asset value per share	114.87	104.32	106.04
 * after direct transaction costs of:	 0.13	 0.15	 0.21
Performance			
Return after charges	10.11%	(1.62%)	3.19%
Other information			
Closing net asset value (£'000)	26,241	35,371	59,414
Closing number of shares	22,844,638	33,907,096	56,032,293
Operating charges	1.01%	1.02%	1.01%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	128.7	114.3	112.1
Lowest share price	105.0	94.83	100.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.10	65.06	62.96
Return before operating charges*	7.20	(0.39)	2.67
Operating charges	(0.63)	(0.57)	(0.57)
Return after operating charges*	6.57	(0.96)	2.10
Distributions	(0.53)	(0.65)	(0.38)
Retained distributions on accumulation shares	0.53	0.65	0.38
Closing net asset value per share	70.67	64.10	65.06
 * after direct transaction costs of:	 0.08	 0.09	 0.13
Performance			
Return after charges	10.25%	(1.48%)	3.34%
Other information			
Closing net asset value (£'000)	2,771	3,033	13,585
Closing number of shares	3,920,882	4,730,465	20,880,448
Operating charges	0.86%	0.87%	0.86%
Direct transaction costs	0.11%	0.14%	0.19%
Prices			
Highest share price	79.21	70.18	68.79
Lowest share price	64.52	58.25	61.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (97.33%)		119,902	99.60
Emerging Market Equities (0.00%)		2,895	2.40
Israel (0.00%)		2,895	2.40
22,567	Nice	2,895	2.40
European Equities (19.14%)		27,614	22.93
Belgium (1.72%)		-	-
Finland (2.50%)		-	-
France (4.90%)		10,539	8.75
69,160	Alstom	2,645	2.20
42,571	ORPEA	4,265	3.54
10,559	Ubisoft Entertainment	612	0.51
38,565	Vinci	3,017	2.50
Germany (0.00%)		6,085	5.05
119,117	Jungheinrich	1,839	1.53
101,916	Vonovia	4,246	3.52
Italy (2.98%)		3,609	3.00
196,313	Prysmian	3,609	3.00
Netherlands (4.76%)		7,381	6.13
138,077	ASR Nederland	3,577	2.97
42,730	NXP Semiconductors	3,804	3.16
Switzerland (2.28%)		-	-
Japanese Equities (4.26%)		3,390	2.82
80,200	Shionogi	3,390	2.82
North American Equities (60.88%)		66,118	54.93
Canada (6.09%)		8,603	7.15
179,738	Alimentation Couche-Tard 'B'	4,272	3.55
94,568	Restaurant Brands International	4,331	3.60
United States (54.79%)		57,515	47.78
15,726	American Tower REIT	2,795	2.32
66,174	Baxter International	4,319	3.59
142,310	Boston Scientific	4,164	3.46
26,254	Constellation	3,543	2.94
47,665	Dollar Tree	3,101	2.58
63,440	Evo Payments	1,256	1.04
33,255	Facebook	5,015	4.17

Holding	Investment	Market value £'000	Percentage of total net assets
30,310	Fidelity National Information Services	3,315	2.75
22,776	Goldman Sachs	3,583	2.98
63,082	Las Vegas Sands	2,877	2.39
221,391	Marvell Technology	3,692	3.07
15,010	Mastercard	3,411	2.83
47,925	Microsoft	6,082	5.05
15,347	NextEra Energy	3,033	2.52
30,879	Union Pacific	3,863	3.21
17,350	United Health	3,466	2.88
Pacific Basin Equities (10.97%)		14,315	11.89
Australia (3.04%)		3,383	2.81
608,794	Treasury Wine Estates	3,383	2.81
China (7.93%)		10,932	9.08
332,000	Ping An Insurance 'H'	2,888	2.40
294,000	Shenzhou	2,827	2.35
134,538	Tencent	5,217	4.33
23,966,000	Tianhe Chemicals*	-	-
Hong Kong (0.00%)		-	-
1,055,400	China Metal Recycling**	-	-
UK Equities (2.08%)		5,570	4.63
Consumer Services (2.08%)		2,587	2.15
1,667,715	Cineworld	2,587	2.15
Health Care (0.00%)		2,983	2.48
43,920	AstraZeneca	2,983	2.48
Total investment assets		119,902	99.60
Net other assets		481	0.40
Total Net Assets		120,383	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules. The percentage figures in brackets show the comparative holding as at 28 February 2019, unless otherwise stated.

* Suspended

** Delisted

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	15,434	(4,318)
Revenue	4	2,512	3,792
Expenses	5	(1,126)	(1,420)
Interest payable and similar charges		(2)	(2)
Net revenue before taxation		1,384	2,370
Taxation	6	(196)	(287)
Net revenue after taxation		1,188	2,083
Total return before distributions		16,622	(2,235)
Distributions	7	(1,188)	(2,083)
Change in net assets attributable to shareholders from investment activities		15,434	(4,318)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	152,733	228,622
Amounts receivable on the issue of shares	21,528	6,670
Amounts payable on the cancellation of shares	(70,338)	(80,075)
	(48,810)	(73,405)
Dilution adjustment	30	156
Change in net assets attributable to shareholders from investment activities (see above)	15,434	(4,318)
Retained distribution on accumulation shares	996	1,678
Closing net assets attributable to shareholders	120,383	152,733

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		119,902	153,027
Current assets:			
Debtors	8	1,667	460
Cash and bank balances		1	8
		1,668	468
Total assets		121,570	153,495
Liabilities:			
Creditors	9	(908)	(757)
Bank overdrafts		(277)	-
Distribution payable		(2)	(5)
		(1,187)	(762)
Total liabilities		(1,187)	(762)
Net assets attributable to shareholders		120,383	152,733

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	15,320	(4,484)
Forward currency contracts	3	9
Other gains	118	177
Transaction charges	(7)	(20)
Net capital gains/(losses)	15,434	(4,318)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	75,200	139,292	118,960	216,219
Collective investment schemes	49,370	101,866	53,731	99,722
Corporate actions	–	414	481	538
Trades in the year before transaction costs	124,570	241,572	173,172	316,479
Commissions				
Equities	38	63	(51)	(107)
Total commissions	38	63	(51)	(107)
Taxes				
Equities	63	62	(4)	(25)
Total taxes	63	62	(4)	(25)
Total transaction costs	101	125	(55)	(132)
Total net trades in the year after transaction costs	124,671	241,697	173,117	316,347

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.05	0.04	0.05
Taxes				
Equities	0.08	0.04	–	0.01

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.09
Taxes	0.05	0.04

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.09% (2019: 0.09%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	399	368
Overseas dividends	2,091	3,410
Taxable distributions on offshore funds	18	5
Bank interest	4	9
Total revenue	2,512	3,792

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	969	1,213
Dealing charge	18	26
Registration fees	101	130
	1,088	1,369
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	18	25
Safe custody fee	9	17
	27	42
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	1,126	1,420

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	196	287
Total current tax	196	287
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	1,384	2,370
Corporation tax at 20% (2019: 20%)	277	474
Effects of:		
Revenue not subject to taxation	(471)	(710)
Overseas taxes	196	287
Overseas tax expensed	(4)	(7)
Excess allowable expenses	198	243
Total tax charge for year (note 6a)	196	287

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,015,000 (2019: £1,817,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	998	1,682
Add: Income deducted on cancellation of shares	252	453
Deduct: Income received on issue of shares	(62)	(52)
Net distribution for the year	1,188	2,083

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	7	30
Sales awaiting settlement	1,326	–
Accrued revenue	174	268
Foreign withholding tax recoverable	160	162
Total debtors	1,667	460

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	816	649
Accrued expenses payable to ACD	79	89
Accrued expenses payable to the Depositary or associates of the Depositary	3	8
Other accrued expenses	10	11
Total creditors	908	757

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	11,935,395	12,028,085	(13,035,643)	(615,565)	10,312,272
Institutional accumulation	14,693,474	159,511	(3,939,041)	(10,634)	10,903,310
Retail income	1,541,464	76,186	(265,679)	-	1,351,971
Standard Life accumulation	3,213,198	103,794	(945,602)	(17,220)	2,354,170
Institutional regulated accumulation	56,719,756	2,331,009	(20,075,597)	-	38,975,168
Platform 1 accumulation	33,907,096	440,900	(12,284,950)	781,592	22,844,638
Institutional S accumulation	4,730,465	-	(809,583)	-	3,920,882

12 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Equities	119,902	-	-	148,666	-	-
Collective Investment Schemes	-	-	-	-	4,361	-
Total investment assets	119,902	-	-	148,666	4,361	-

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £5,995,000 (2019: £7,651,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £5,796,000 (2019: £6,929,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Australian Dollar	3,383	4,638
Canadian Dollar	4,656	4,690
Danish Krone	98	117
Euro	24,804	25,944
Hong Kong Dollar	10,932	7,839
Japanese Yen	3,390	6,510
Swiss Franc	1	1
US Dollar	68,656	88,839

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/(liabilities) £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	(277)	4,740	4,463
Australian Dollar	–	3,383	3,383
Canadian Dollar	–	4,656	4,656
Danish Krone	–	98	98
Euro	–	24,804	24,804
Hong Kong Dollar	–	10,932	10,932
Japanese Yen	–	3,390	3,390
Swiss Franc	–	1	1
US Dollar	1	68,655	68,656
2019			
Currency			
UK Sterling	4,363	9,792	14,155
Australian Dollar	–	4,638	4,638
Canadian Dollar	–	4,690	4,690
Danish Krone	–	117	117
Euro	–	25,944	25,944
Hong Kong Dollar	–	7,839	7,839
Japanese Yen	–	6,510	6,510
Swiss Franc	–	1	1
US Dollar	7	88,832	88,839

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Regulated Accumulation' was 142.62p. The Net Asset Value of share class 'Institutional Regulated Accumulation' as at 12 noon on 17 June 2020 was 153.48p. This represents an increase of 7.62% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.2981	-	0.2981*	0.6109
Group 2	0.0230	0.2751	0.2981*	0.6109
Institutional accumulation				
Group 1	1.1097	-	1.1097*	1.3804
Group 2	0.3986	0.7111	1.1097*	1.3804
Retail income				
Group 1	0.1493	-	0.1493**	0.3078
Group 2	-	0.1493	0.1493**	0.3078
Standard Life accumulation				
Group 1	2.0978	-	2.0978*	2.1937
Group 2	1.0767	1.0211	2.0978*	2.1937
Institutional regulated accumulation				
Group 1	1.5847	-	1.5847*	1.7579
Group 2	0.5809	1.0038	1.5847*	1.7579
Platform 1 accumulation				
Group 1	0.6858	-	0.6858*	0.8957
Group 2	0.1999	0.4859	0.6858*	0.8957
Institutional S accumulation				
Group 1	0.5313	-	0.5313*	0.6481
Group 2	0.2060	0.3253	0.5313*	0.6481

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI High Yield Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling and Euro denominated sub-investment grade (high yield) corporate bonds.

Performance Target: To achieve the return of the ICE BofAML GBP/Euro Fixed & Floating High Yield Non Financial 3% Constrained (HGD to GBP) plus 0.8% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in Sterling and Euro denominated sub-investment grade corporate bonds
- The Fund may also invest in bonds issued anywhere in the world by governments and corporations, including sub-sovereigns and the following types: investment grade, inflation-linked, convertible, asset backed and mortgage backed.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's prospects and creditworthiness compared to that of the market.
- In seeking to achieve the Performance Target, ICE BofAML GBP/Euro Fixed & Floating High Yield Non Financial 3% Constrained (HGD to GBP) Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 2.5%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the ICE BofAML GBP/Euro Fixed & Floating High Yield Non Financial 3% Constrained (HGD to GBP) Index over the longer term.

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance

Over the period under review, the Fund returned 5.2%. This compared to a return of 6.2% for our performance target (the ICE BofAML GBP/Euro Fixed & Floating High Yield Non-Financial 3% Constrained (HGD to GBP) +0.8%).

The top performer for the Fund over the period was its underweight exposure to the troubled UK holiday operator Thomas Cook, which was declared bankrupt in September 2019. Another contributor was zero exposure to the Spanish paper company Lecta, which became increasingly hampered by its reducing financing options, resulting in a restructuring that was damaging for bondholders. Likewise zero exposure to the over-indebted French container shipping company CMA CGM was beneficial, as was zero exposure to the Spanish sea transport company Naveria Armas.

On the negative side, the biggest detractor over the period was the Fund's off-benchmark exposure to Tullow Oil, which was affected by declining oil prices and related questions about debt sustainability. Another detractor was overweight exposure to the generic drugs producer Teva Pharmaceutical, which was negatively impacted by opioid litigation worries. In addition, overweight exposure to Vodafone was detrimental, as its bonds were downgraded in August following its largely debt-financed EUR18bn purchase of Liberty Global's operations in Germany, the Czech Republic, Hungary and Romania.

Investment activity

Over the review period, we were net buyers of suitably valued bonds, where we judged the risk/reward balance to be favourable. Sales activity was often used to improve the credit quality of the Fund.

Towards the end of the period, in the primary market we bought the higher-rated bonds from Grifols, Medical Properties, Dufry and a hybrid issue from Bayer. At the higher-yielding end of the asset class, we participated in a new B+ rated issue from Casino (French supermarket) and a first issue from research consultancy Kantar.

In secondary market trading, we topped up an existing position in SFR (French telecoms), after an improvement in the company's operating performance. New positions were added in consumer retailer Shop Direct and German property developer Consus. We exited the entire position in Sappi, a producer of dissolving wood pulp. Key market conditions have deteriorated for the company and this situation look set to continue.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 3 because of the extent to which the following risk factors apply:

- The Fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid. For example, a coco bond can lose some or all of its value instantaneously if a trigger, such as the issuer experiencing capital shortfalls, occurs.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	133.58	132.22	128.17
Return before operating charges*	7.29	2.72	5.40
Operating charges	(1.45)	(1.36)	(1.35)
Return after operating charges*	5.84	1.36	4.05
Distributions	(3.91)	(3.65)	(4.03)
Retained distributions on accumulation shares	3.91	3.65	4.03
Closing net asset value per share	139.42	133.58	132.22
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.37%	1.03%	3.16%
Other information			
Closing net asset value (£'000)	84,701	93,098	101,617
Closing number of shares	60,751,437	69,695,007	76,854,653
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	143.5	134.6	133.7
Lowest share price	133.9	130.0	128.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	142.12	140.22	135.49
Return before operating charges*	7.75	2.90	5.72
Operating charges	(1.04)	(1.00)	(0.99)
Return after operating charges*	6.71	1.90	4.73
Distributions	(4.68)	(4.33)	(4.71)
Retained distributions on accumulation shares	4.68	4.33	4.71
Closing net asset value per share	148.83	142.12	140.22
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.72%	1.35%	3.49%
Other information			
Closing net asset value (£'000)	19,561	20,493	22,356
Closing number of shares	13,143,275	14,420,173	15,943,301
Operating charges	0.71%	0.71%	0.71%
Direct transaction costs	–	–	–
Prices			
Highest share price	153.2	143.0	141.7
Lowest share price	142.4	138.2	135.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	47.93	48.77	48.75
Return before operating charges*	2.59	0.99	2.04
Operating charges	(0.50)	(0.50)	(0.51)
Return after operating charges*	2.09	0.49	1.53
Distributions	(1.40)	(1.33)	(1.51)
Closing net asset value per share	48.62	47.93	48.77
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.36%	1.00%	3.14%
Other information			
Closing net asset value (£'000)	45,947	51,344	59,415
Closing number of shares	94,494,741	107,115,614	121,821,600
Operating charges	1.03%	1.03%	1.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	50.42	49.21	49.93
Lowest share price	47.89	46.96	48.74

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	47.95	48.79	48.76
Return before operating charges*	2.60	0.99	2.05
Operating charges	(0.35)	(0.34)	(0.35)
Return after operating charges*	2.25	0.65	1.70
Distributions	(1.56)	(1.49)	(1.67)
Closing net asset value per share	48.64	47.95	48.79
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.69%	1.33%	3.49%
Other information			
Closing net asset value (£'000)	30,034	30,849	33,078
Closing number of shares	61,753,084	64,337,818	67,801,187
Operating charges	0.71%	0.71%	0.71%
Direct transaction costs	–	–	–
Prices			
Highest share price	50.48	49.25	49.97
Lowest share price	47.90	46.99	48.76

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	48.81	49.73	49.79
Return before operating charges*	2.66	0.93	2.02
Operating charges	(0.01)	(0.01)	(0.02)
Return after operating charges*	2.65	0.92	2.00
Distributions	(1.97)	(1.84)	(2.06)
Closing net asset value per share	49.49	48.81	49.73
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.43%	1.85%	4.02%
Other information			
Closing net asset value (£'000)	1	– [^]	4,424
Closing number of shares	1,996	201	8,895,749
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	51.44	50.27	51.00
Lowest share price	48.78	47.87	49.73

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £98.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	115.41	113.20	108.73
Return before operating charges*	6.31	2.33	4.59
Operating charges	(0.13)	(0.12)	(0.12)
Return after operating charges*	6.18	2.21	4.47
Distributions	(4.53)	(4.19)	(4.46)
Retained distributions on accumulation shares	4.53	4.19	4.46
Closing net asset value per share	121.59	115.41	113.20
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.35%	1.95%	4.11%
Other information			
Closing net asset value (£'000)	85,208	148,136	99,104
Closing number of shares	70,080,607	128,355,724	87,545,460
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	–	–	–
Prices			
Highest share price	125.1	115.9	114.4
Lowest share price	115.7	112.1	108.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	207.61	204.23	196.75
Return before operating charges*	11.34	4.22	8.31
Operating charges	(0.88)	(0.84)	(0.83)
Return after operating charges*	10.46	3.38	7.48
Distributions	(7.49)	(6.93)	(7.46)
Retained distributions on accumulation shares	7.49	6.93	7.46
Closing net asset value per share	218.07	207.61	204.23
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.04%	1.65%	3.80%
Other information			
Closing net asset value (£'000)	34,869	37,754	40,845
Closing number of shares	15,989,980	18,184,794	19,999,402
Operating charges	0.41%	0.41%	0.41%
Direct transaction costs	–	–	–
Prices			
Highest share price	224.4	208.7	206.4
Lowest share price	208.1	201.8	196.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life B accumulation ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	95.99	92.11
Return before operating charges*	0.87	3.88
Operating charges	–	–
Return after operating charges*	0.87	3.88
Distributions	(0.90)	(3.87)
Retained distributions on accumulation shares	0.90	3.87
Redemption value as at 14 June 2018	(96.86)	–
Closing net asset value per share	–	95.99
 * after direct transaction costs of:	 –	 –
Performance		
Return after charges	0.91%	4.21%
Other information		
Closing net asset value (£'000)	–	4
Closing number of shares	–	4,000
Operating charges	–	–
Direct transaction costs	–	–
Prices		
Highest share price	97.05	96.97
Lowest share price	96.15	92.13

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life B accumulation closed on 14 June 2018.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	74.68	73.72	71.27
Return before operating charges*	4.08	1.52	3.01
Operating charges	(0.59)	(0.56)	(0.56)
Return after operating charges*	3.49	0.96	2.45
Distributions	(2.42)	(2.24)	(2.44)
Retained distributions on accumulation shares	2.42	2.24	2.44
Closing net asset value per share	78.17	74.68	73.72
 * after direct transaction costs of:	 -	 -	 -
Performance			
Return after charges	4.67%	1.30%	3.44%
Other information			
Closing net asset value (£'000)	27,729	30,610	36,946
Closing number of shares	35,470,314	40,986,462	50,113,614
Operating charges	0.76%	0.76%	0.76%
Direct transaction costs	-	-	-
Prices			
Highest share price	80.46	75.19	74.52
Lowest share price	74.84	72.64	71.26

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	56.59	57.58	57.55
Return before operating charges*	3.07	1.17	2.42
Operating charges	(0.44)	(0.43)	(0.44)
Return after operating charges*	2.63	0.74	1.98
Distributions	(1.81)	(1.73)	(1.95)
Closing net asset value per share	57.41	56.59	57.58
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.65%	1.29%	3.44%
Other information			
Closing net asset value (£'000)	36,162	39,632	47,891
Closing number of shares	62,987,253	70,033,718	83,172,570
Operating charges	0.76%	0.76%	0.76%
Direct transaction costs	–	–	–
Prices			
Highest share price	59.57	58.13	58.98
Lowest share price	56.54	55.45	57.55

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.53	63.51	61.30
Return before operating charges*	3.84	1.40	2.58
Operating charges	(0.40)	(0.38)	(0.37)
Return after operating charges*	3.44	1.02	2.21
Distributions	(2.49)	(2.16)	(2.22)
Retained distributions on accumulation shares	2.49	2.16	2.22
Closing net asset value per share	67.97	64.53	63.51
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.33%	1.60%	3.61%
Other information			
Closing net asset value (£'000)	1	– [^]	1
Closing number of shares	1,531	200	2,200
Operating charges	0.59%	0.59%	0.59%
Direct transaction costs	–	–	–
Prices			
Highest share price	69.95	64.84	64.17
Lowest share price	64.66	62.71	61.30

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S accumulation is £129.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	51.87	52.81	52.79
Return before operating charges*	2.92	1.22	2.23
Operating charges	(0.31)	(0.31)	(0.32)
Return after operating charges*	2.61	0.91	1.91
Distributions	(1.98)	(1.85)	(1.89)
Closing net asset value per share	52.50	51.87	52.81
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.03%	1.72%	3.62%
Other information			
Closing net asset value (£'000)	1	– [^]	1
Closing number of shares	1,893	200	2,200
Operating charges	0.59%	0.59%	0.59%
Direct transaction costs	–	–	–
Prices			
Highest share price	54.50	53.35	54.07
Lowest share price	51.71	50.87	52.79

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S Income is £104.

Institutional A accumulation ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	57.75	56.37
Return before operating charges*	0.66	2.02
Operating charges	(0.32)	(0.64)
Return after operating charges*	0.34	1.38
Distributions	(0.38)	(1.72)
Retained distributions on accumulation shares	0.38	1.72
Redemption value as at 14 June 2018	(58.09)	–
Closing net asset value per share	–	–
 * after direct transaction costs of:	 –	 –
Performance		
Return after charges	0.59%	2.45%
Other information		
Closing net asset value (£'000)	–	1
Closing number of shares	–	2,200
Operating charges	1.11%	1.11%
Direct transaction costs	–	–
Prices		
Highest share price	58.26	58.39
Lowest share price	57.69	56.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional A accumulation share class closed on 14 June 2018.

Institutional A income ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	54.60	54.05
Return before operating charges*	0.63	3.37
Operating charges	(0.31)	(0.61)
Return after operating charges*	0.32	2.76
Distributions	(0.37)	(2.21)
Redemption value as at 14 June 2018	(54.55)	–
Closing net asset value per share	–	54.60
 * after direct transaction costs of:	 –	 –
Performance		
Return after charges	0.59%	5.11%
Other information		
Closing net asset value (£'000)	–	1
Closing number of shares	–	2,200
Operating charges	1.11%	1.11%
Direct transaction costs	–	–
Prices		
Highest share price	55.08	55.35
Lowest share price	54.17	54.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional A income share class closed on 14 June 2018.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (91.84%)		347,129	95.31
Euro Denominated Bonds (61.99%)		254,851	69.97
Corporate Bonds (61.99%)		254,851	69.97
less than 5 years to maturity			
2,539,000	Adient 3.5% 2024	1,851	0.51
2,200,000	ADLER Real Estate 1.5% 2021	1,899	0.52
2,902,000	Altice 2.5% 2025	2,410	0.66
1,750,000	Altice 6.25% 2025	515	0.14
2,000,000	Autostrade 1.625% 2023	1,660	0.46
7,550,000	Avantor 4.75% 2024	6,771	1.86
5,513,000	Bausch Health 4.5% 2023	4,696	1.29
4,400,000	Casino Guichard 3.248% Variable 2024	3,189	0.88
2,449,000	Cirsa Finance International 6.25% 2023	2,166	0.59
1,700,000	Consus Real Estate 9.625% 2024	1,586	0.44
1,575,000	Crown European 2.25% 2023	1,402	0.38
2,600,000	Crown European 4% 2022	2,378	0.65
1,447,000	Explorer II 3.375% 2025	1,122	0.31
2,100,000	Greif 7.375% 2021	1,969	0.54
1,168,000	International Game Technology 3.5% 2024	1,020	0.28
2,880,000	IPD 3 4.5% 2022	2,514	0.69
1,395,000	IPD 3 FRN 2022	1,201	0.33
2,720,000	IQVIA 3.5% 2024	2,357	0.65
3,853,000	Lincoln Financing 3.625% 2024	3,217	0.88
1,200,000	Lincoln Financing FRN 2024	1,008	0.28
5,294,000	Nassa Topco 2.875% 2024	4,590	1.26
4,675,000	Nidda Healthcare 3.5% 2024	4,001	1.10
4,260,000	Nomad Foods Bondco 3.25% 2024	3,681	1.01
4,699,000	OCI 3.125% 2024	4,031	1.11
5,144,000	OCI 5% 2023	4,508	1.24
1,564,000	OI European 2.875% 2025	1,371	0.38
2,408,000	PPF Arena 2.125% 2025	2,099	0.58
3,243,000	PrestigeBidCo 6.25% 2023	2,842	0.78
5,077,000	Quatrim 5.875% 2024	4,368	1.20
7,495,000	Teva Pharmaceutical 1.125% 2024	5,671	1.56
3,807,000	Teva Pharmaceutical 1.25% 2023	2,987	0.82
692,000	Teva Pharmaceutical 6% 2025	621	0.17
2,280,000	UniCredit 6.95% 2022	2,254	0.62
1,500,000	Verisure 5.75% 2023	1,310	0.36
2,219,000	Verisure Holding 3.5% 2023	1,930	0.53
4,262,000	Volvo 2.125% 2024	3,791	1.04
2,200,000	Volvo 3.25% 2021	1,939	0.53
1,496,000	VZ Vendor Financing 2.5% 2024	1,268	0.35
2,000,000	WMG Acquisition 4.125% 2024	1,587	0.44

Holding	Investment	Market value £'000	Percentage of total net assets
between 5 and 10 years to maturity			
1,600,000	ADLER Real Estate 3% 2026	1,424	0.39
1,195,000	Altice 3.375% 2028	999	0.27
4,460,000	Altice 4.75% 2028	3,727	1.02
1,700,000	Altice France 5.875% 2027	1,570	0.43
1,106,000	Ardagh Packaging 2.125% 2026	950	0.26
1,600,000	Ashland Services 2% 2028	1,326	0.36
3,650,000	Avis Budget Finance 4.75% 2026	3,190	0.88
3,444,000	Banca Monte dei Paschi di Siena 8% fixed to floating 2030	2,968	0.81
2,858,000	Banff Merger Sub 8.375% 2026	2,519	0.69
4,906,000	Blitz F18-674 6% 2026	4,490	1.23
2,753,000	Cemex 3.125% 2026	2,428	0.67
2,213,000	Cirsa Finance International 7.25% 2025	1,868	0.51
915,000	Cirsa Finance International FRN 2025	773	0.21
2,090,000	Crown 3.375% 2025	1,956	0.54
2,830,000	CTC BondCo 5.25% 2025	2,456	0.67
3,785,000	Diocle FRN 2026	3,206	0.88
2,629,000	eircom 3.5% 2026	2,317	0.64
2,275,000	Energizer Gamma Acquisition 4.625% 2026	2,027	0.56
3,801,000	Grifols 2.25% 2027	3,312	0.91
1,640,000	Grifols 3.2% 2025	1,417	0.39
3,221,000	House of Finance 4.375% 2026	2,690	0.74
5,984,000	International Game Technology 3.5% 2026	5,126	1.41
1,095,000	Intertrust Group 3.375% 2025	959	0.26
8,355,000	InterXion 4.75% 2025	7,660	2.10
3,371,000	Intrum 3% 2027	2,659	0.73
3,577,000	Intrum 3.5% 2026	2,939	0.81
4,330,000	IQVIA 3.25% 2025	3,753	1.03
1,064,000	La Financiere Atalian 5.125% 2025	718	0.20
7,077,000	Matterhorn Telecom 3.125% 2026	6,076	1.67
2,160,000	Monitchem HoldCo 3 5.25% 2025	1,883	0.52
1,164,000	Motion Bondco 4.5% 2027	989	0.27
2,980,000	MPT Operating Partnership 3.325% 2025	2,830	0.78
1,150,000	Netflix 3.625% 2027	1,040	0.28
3,450,000	Netflix 3.875% 2029	3,110	0.85
2,000,000	Sigma 5.75% 2026	1,606	0.44
618,000	SoftBank 5.25% 2027	593	0.16
5,187,000	Summer BC HoldCo 5.75% 2026	4,603	1.26
2,195,000	Techem Verwaltungsgesellschaft 675 mbH 2% 2025	1,867	0.51
5,853,000	Tele Columbus 3.875% 2025	4,717	1.30
968,000	UGI International 3.25% 2025	865	0.24
1,500,000	Unilabs Subholding 5.75% 2025	1,296	0.36

Holding	Investment	Market value £'000	Percentage of total net assets
5,099,000	UPCB Finance VII 3.625% 2029	4,468	1.23
2,625,000	WMG Acquisition 3.625% 2026	2,338	0.64
4,240,000	YPSO Finance BIS 8% 2027	4,067	1.12
2,000,000	Ziggo 4.25% 2027	1,600	0.44
between 10 and 15 years to maturity			
676,000	Invesco FRN 2033	581	0.16
6,300,000	Telecom Italia 7.75% fixed to floating 2033	7,948	2.18
9,317,000	Ziggo 3.375% 2030	7,718	2.12
greater than 25 years to maturity			
700,000	Bayer 2.375% fixed to floating 2079	602	0.16
897,000	British Telecom 1.874% fixed to floating 2080	749	0.21
Perpetual			
763,000	Banco BPM 6.125% fixed to floating Perpetual	643	0.18
1,200,000	Banco Santander 4.375% fixed to floating Perpetual	1,017	0.28
1,600,000	Banco Santander 5.25% fixed to floating Perpetual	1,435	0.39
1,000,000	Caixa Geral de Depositos 10.75% fixed to floating Perpetual	992	0.27
3,550,000	Danske Bank FRN Perpetual	3,240	0.89
2,177,000	LeasePlan 7.375% fixed to floating Perpetual	2,114	0.58
1,000,000	Solvay 5.869% Perpetual	993	0.27
1,750,000	Stichting 6.5% Perpetual	1,912	0.52
4,200,000	Telefonica Europe 4.375% fixed to floating Perpetual	3,941	1.08
4,000,000	Telefonica FRN Perpetual	3,508	0.96
2,000,000	Unicredit 6.625% fixed to floating Perpetual	1,788	0.49
580,000	Unione di Banche 5.875% fixed to floating Perpetual	515	0.14
Sterling Denominated Bonds (23.56%)		73,997	20.32
Corporate Bonds (23.56%)		73,997	20.32
less than 5 years to maturity			
5,301,000	Arqiva 6.75% 2023	5,588	1.53
2,550,000	Arrow Global 5.125% 2024	2,563	0.70
4,000,000	Barclays 10% 2021	4,402	1.21
1,066,000	Co-Operative 5.125% 2024	1,118	0.31
2,015,000	CPUK 4.25% 2022	2,016	0.55
1,000,000	Miller Homes 5.5% 2024	1,033	0.28
1,615,000	Moto Finance 4.5% 2022	1,630	0.45
1,230,000	MPT Operating Partnership 2.55% 2023	1,260	0.35
1,100,000	Newday Bondco 7.375% 2024	1,084	0.30
3,127,000	Pinnacle Bidco 6.375% 2025	3,167	0.87
1,650,000	Shop Direct Funding 7.75% 2022	1,508	0.41
3,873,000	Talk Talk 3.875% 2025	3,853	1.06
500,000	Telecom Italia 5.875% 2023	558	0.15
3,500,000	Tesco 5% 2023	3,855	1.06

Holding	Investment	Market value £'000	Percentage of total net assets
730,000	Travis Perkins 4.375% 2021	750	0.21
2,250,000	Travis Perkins 4.5% 2023	2,355	0.65
4,780,000	Virgin Media 6% 2025	5,202	1.43
between 5 and 10 years to maturity			
3,432,000	Heathrow Finance 4.125% 2029	3,439	0.94
3,040,000	Mitchells & Butlers 5.965% 2025	733	0.20
2,942,000	MPT Operating Partnership 3.692% 2028	3,120	0.86
2,204,000	Pinewood 3.25% 2025	2,227	0.61
750,000	Trafford Centre 7.03%% 2029	472	0.13
1,656,000	Virgin Media 4.25% 2030	1,661	0.46
1,400,000	Virgin Media 5% 2027	1,454	0.40
between 10 and 15 years to maturity			
110,000	Trafford Centre 6.5% 2033	120	0.03
between 15 and 25 years to maturity			
1,825,000	Allied Irish Bank 12.5% 2035	1,288	0.35
1,000,000	Tesco 6.0517% 2039	1,111	0.31
greater than 25 years to maturity			
4,643,000	BHP Billiton 6.5% 2077	5,176	1.42
2,000,000	Koninklijke KPN 6.875% 2073	2,003	0.55
1,257,000	RL Finance 4.875% fixed to floating 2049	1,262	0.35
Perpetual			
1,567,000	Aviva 5.9021% fixed to floating Perpetual	1,581	0.43
1,500,000	Bank of Scotland 12% Perpetual	1,710	0.47
3,270,000	CYBG 8% Perpetual	3,440	0.94
700,000	Lloyds Bank 13% fixed to floating Perpetual	1,258	0.35
US Dollar Denominated Bonds (6.29%)		18,281	5.02
Corporate Bonds (6.29%)		18,281	5.02
less than 5 years to maturity			
1,500,000	Ardagh Packaging 4.25% 2022	1,181	0.32
1,250,000	Bausch Health 6.5% 2022	991	0.27
2,600,000	Country Garden Holdings 7.5% 2020	2,033	0.56
1,750,000	EnQuest 7% 2022	1,130	0.31
3,000,000	First Quantum Minerals 7.25% 2023	2,267	0.62
1,650,000	Valeant Pharmaceuticals 7% 2024	1,334	0.37
between 5 and 10 years to maturity			
4,000,000	JBS Investments II 7% 2026	3,343	0.92
2,977,000	Tullow Oil 7% 2025	1,569	0.43
greater than 25 years to maturity			
2,350,000	BHP Billiton 6.25% 2075	1,875	0.52
Perpetual			
1,500,000	Lloyds Banking Group FRN Perpetual	1,306	0.36
1,500,000	UBS Group Funding Switzerland FRN Perpetual	1,252	0.34

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (0.00%)		-	-
UK Equities (0.00%)		-	-
Basic Materials (0.00%)		-	-
32,987,896,738	Luxfer Holdings*	-	-
Collective Investment Schemes (5.33%)		15,586	4.28
1	Aberdeen Standard Liquidity Fund (Lux) - Euro Fund+	1	-
15,586	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	15,585	4.28
Derivatives (1.05%)		(8,592)	(2.36)
Forward Currency Contracts (1.08%)		(8,592)	(2.36)
	Buy EUR 1,150,147 Sell GBP 963,407 27/03/2020	27	0.01
	Buy EUR 3,755,166 Sell GBP 3,146,341 27/03/2020	86	0.02
	Buy EUR 23,000 Sell GBP 19,353 03/04/2020	-	-
	Buy EUR 653,000 Sell GBP 555,125 03/04/2020	7	-
	Buy EUR 688,870 Sell GBP 583,676 27/04/2020	10	-
	Buy EUR 1,232,277 Sell GBP 1,039,734 27/04/2020	22	0.01
	Buy EUR 1,371,575 Sell GBP 1,144,038 27/04/2020	38	0.01
	Buy GBP 3,288,358 Sell EUR 3,885,025 27/03/2020	(56)	(0.02)
	Buy GBP 260,366,538 Sell EUR 312,269,472 27/03/2020	(8,420)	(2.31)
	Buy GBP 555,590 Sell EUR 653,000 27/04/2020	(7)	-
	Buy GBP 756,836 Sell EUR 897,000 27/04/2020	(16)	0.01
	Buy GBP 875,021 Sell EUR 1,040,460 27/04/2020	(21)	(0.01)
	Buy GBP 20,163,840 Sell USD 26,126,468 27/03/2020	(275)	(0.08)
	Buy USD 1,540,620 Sell GBP 1,191,265 27/04/2020	13	-
Futures (-0.03%)		-	-
Total investment assets and liabilities		354,123	97.23
Net other assets		10,091	2.77
Total Net Assets		364,214	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

* Suspended

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	7,528	(8,131)
Revenue	4	16,323	17,156
Expenses	5	(2,600)	(2,792)
Interest payable and similar charges		(59)	(28)
Net revenue before taxation		13,664	14,336
Taxation	6	-	-
Net revenue after taxation		13,664	14,336
Total return before distributions		21,192	6,205
Distributions	7	(13,664)	(14,336)
Change in net assets attributable to shareholders from investment activities		7,528	(8,131)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	451,916	445,684
Amounts receivable on the issue of shares	11,667	57,234
Amounts payable on the cancellation of shares	(116,899)	(53,682)
	(105,232)	3,552
Dilution adjustment	252	332
Change in net assets attributable to shareholders from investment activities (see above)	7,528	(8,131)
Retained distribution on accumulation shares	9,748	10,477
Unclaimed distributions	2	2
Closing net assets attributable to shareholders	364,214	451,916

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		362,918	444,011
Current assets:			
Debtors	8	7,166	7,314
Cash and bank balances	9	5,144	7,887
		12,310	15,201
Total assets		375,228	459,212
Liabilities:			
Investment liabilities		(8,795)	(147)
Creditors	10	(1,335)	(660)
Bank overdrafts	9	–	(5,617)
Distribution payable		(884)	(872)
		(2,219)	(7,149)
Total liabilities		(11,014)	(7,296)
Net assets attributable to shareholders		364,214	451,916

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	7,092	(18,386)
Derivative contracts	(92)	(488)
Forward currency contracts	1,005	11,058
Other losses	(460)	(294)
Transaction charges	(17)	(21)
Net capital gains/(losses)	7,528	(8,131)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	233,542	289,813	301,342	262,806
Collective investment schemes	334,219	197,591	342,747	196,040
Corporate actions	–	–	4,950	4,027
Trades in the year before transaction costs	567,761	487,404	649,039	462,873
Total net trades in the year after transaction costs	567,761	487,404	649,039	462,873

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.90% (2019: 0.79%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	–	135
Taxable distributions on offshore funds	86	57
Interest on debt securities	16,220	16,868
Bank interest	17	96
Total revenue	16,323	17,156

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,248	2,415
Dealing charge	35	38
Registration fees	226	241
	2,509	2,694
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	49	54
Safe custody fee	28	33
	77	87
Other:		
Professional fees	1	–
Audit fee	13	11
	14	11
Total expenses	2,600	2,792

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	13,664	14,336
Corporation tax at 20% (2019: 20%)	2,733	2,867
Effects of:		
Revenue not subject to taxation	–	(27)
Distributions treated as tax deductible	(2,733)	(2,840)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	3,686	3,358
Second interim distribution	3,473	3,884
Third interim distribution	3,131	3,493
Final distribution	3,010	3,504
	13,300	14,239
Add: Income deducted on cancellation of shares	423	200
Deduct: Income received on issue of shares	(59)	(103)
Net distribution for the year	13,664	14,336

Details of the distribution per share are set out in this Fund's distribution tables.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	67	132
Sales awaiting settlement	2,154	1,406
Accrued revenue	4,945	5,776
Total debtors	7,166	7,314

9 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	13	397
Cash and bank balances	5,131	7,490
	5,144	7,887
Collateral cash	–	(5,617)
Total cash and bank balances	5,144	2,270

10 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	523	320
Purchases awaiting settlement	581	111
Accrued expenses payable to ACD	189	198
Accrued expenses payable to the Depositary or associates of the Depositary	27	17
Other accrued expenses	15	14
Total creditors	1,335	660

11 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 10.

12 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	69,695,007	187,255	(7,770,524)	(1,360,301)	60,751,437
Institutional accumulation	14,420,173	302,496	(2,039,370)	459,976	13,143,275
Retail income	107,115,614	146,653	(10,263,210)	(2,504,316)	94,494,741
Institutional income	64,337,818	3,562,856	(6,237,173)	89,583	61,753,084
Standard Life income	201	1,795	–	–	1,996
Standard Life accumulation	128,355,724	639,289	(58,914,406)	–	70,080,607
Institutional regulated accumulation	18,184,794	586,776	(2,781,590)	–	15,989,980
Platform 1 accumulation	40,986,462	8,280,208	(15,352,070)	1,555,714	35,470,314
Platform 1 income	70,033,718	1,418,732	(10,509,864)	2,044,667	62,987,253
Institutional S accumulation	200	1,331	–	–	1,531
Institutional S income	200	1,693	–	–	1,893

13 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Bonds	–	347,129	–	–	415,067	–
Collective Investment Schemes	–	15,586	–	–	24,090	–
Derivatives	–	203	–	–	4,854	–
Total investment assets	–	362,918	–	–	444,011	–
Derivatives	–	(8,795)	–	(136)	(11)	–
Total investment liabilities	–	(8,795)	–	(136)	(11)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

14 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	0.71%	1.28%	0.85%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	0.69%	0.89%	0.79%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 1.28%, £4,533,000 (2019: 0.69%, £3,138,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Euro	(3,789)	5,232
US Dollar	(542)	239

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	31,872	58,176	278,497	368,545
Euro	19,540	239,984	(263,313)	(3,789)
US Dollar	4,440	13,847	(18,829)	(542)
2019				
Currency				
UK Sterling	52,176	73,932	320,337	446,445
Euro	27,591	259,281	(281,640)	5,232
US Dollar	8,134	20,314	(28,209)	239

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	28,853	29,390
Below Investment Grade Bonds	316,364	379,829
Unrated Bonds	1,912	5,848
Total Value of Bonds	347,129	415,067

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

	2020 £'000	2019 £'000
Market Exposure		
Forward Currency Contracts	303,648	319,296
Futures	–	8,753
Total Market Exposure	303,648	328,049

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

Counterparty or clearer	Collateral (held)/ pledged £'000	2020	Market value of derivatives £'000	Collateral (held)/ pledged £'000	2019	Market value of derivatives £'000
		Margin at clearing broker £'000			Margin at clearing broker £'000	
Barclays	-	-	-	120	-	-
BNP Paribas	-	-	-	(170)	-	-
Citigroup	-	-	-	(2,873)	-	-
Credit Agricole	-	-	(37)	-	-	-
Deutsche Bank	-	-	-	(449)	-	-
Goldman Sachs	-	5	-	-	271	(136)
Lloyds Bank	-	-	(8,420)	-	-	-
JP Morgan	-	-	-	(2,119)	-	-
Morgan Stanley	8	-	(16)	-	-	-
NatWest Markets	-	-	86	-	-	490
Societe Generale	-	-	-	-	-	4,364
Standard Chartered	-	-	10	-	-	-
StateStreet	-	-	60	-	-	(11)
UBS	-	-	(275)	-	-	-
Total	8	5	(8,592)	(5,491)	271	4,707

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

15 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Income' was 48.64p. The Net Asset Value of share class 'Institutional Income' as at 12 noon on 17 June 2020 was 47.74p. This represents a decrease of 1.85% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.0295	-	1.0295*	0.8999
Group 2	0.5957	0.4338	1.0295*	0.8999
Institutional accumulation				
Group 1	1.2117	-	1.2117*	1.0684
Group 2	0.4469	0.7648	1.2117*	1.0684
Retail income				
Group 1	0.3694	-	0.3694**	0.3319
Group 2	0.1396	0.2298	0.3694**	0.3319
Institutional income				
Group 1	0.4088	-	0.4088**	0.3717
Group 2	0.2592	0.1496	0.4088**	0.3717
Standard Life income				
Group 1	0.5123	-	0.5123**	0.4651
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	1.1615	-	1.1615*	1.0355
Group 2	0.7620	0.3995	1.1615*	1.0355
Institutional regulated accumulation				
Group 1	1.9298	-	1.9298*	1.7121
Group 2	0.6985	1.2313	1.9298*	1.7121
Platform 1 accumulation				
Group 1	0.6273	-	0.6273*	0.5524
Group 2	0.2557	0.3716	0.6273*	0.5524
Platform 1 income				
Group 1	0.4752	-	0.4752**	0.4314
Group 2	0.2275	0.2477	0.4752**	0.4314
Institutional S accumulation				
Group 1	0.6800	-	0.6800*	0.5109
Group 2	-	-	-	-
Institutional S income				
Group 1	0.5350	-	0.5350**	0.4259
Group 2	-	-	-	-

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.9794	-	0.9794*	0.9722
Group 2	0.4735	0.5059	0.9794*	0.9722
Institutional accumulation				
Group 1	1.1612	-	1.1612*	1.1463
Group 2	0.5889	0.5723	1.1612*	1.1463
Retail income				
Group 1	0.3488	-	0.3488**	0.3561
Group 2	0.1601	0.1887	0.3488**	0.3561
Institutional income				
Group 1	0.3885	-	0.3885**	0.3957
Group 2	0.0860	0.3025	0.3885**	0.3957
Standard Life income				
Group 1	0.4924	-	0.4924**	0.4935
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	1.1251	-	1.1251*	1.1012
Group 2	0.9432	0.1819	1.1251*	1.1012
Institutional regulated accumulation				
Group 1	1.8598	-	1.8598*	1.8273
Group 2	1.4787	0.3811	1.8598*	1.8273
Platform 1 accumulation				
Group 1	0.6003	-	0.6003*	0.5932
Group 2	0.3521	0.2482	0.6003*	0.5932
Platform 1 income				
Group 1	0.4512	-	0.4512**	0.4599
Group 2	0.2046	0.2466	0.4512**	0.4599
Institutional S accumulation				
Group 1	0.6500	-	0.6500*	0.5372
Group 2	-	-	-	-
Institutional S income				
Group 1	0.5300	-	0.5300**	0.4600
Group 2	-	-	-	-

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.9054	-	0.9054*	0.8858
Group 2	0.4358	0.4696	0.9054*	0.8858
Institutional accumulation				
Group 1	1.0837	-	1.0837*	1.0546
Group 2	0.4728	0.6109	1.0837*	1.0546
Retail income				
Group 1	0.3201	-	0.3201**	0.3223
Group 2	0.1311	0.1890	0.3201**	0.3223
Institutional income				
Group 1	0.3596	-	0.3596**	0.3613
Group 2	0.1562	0.2034	0.3596**	0.3613
Standard Life income				
Group 1	0.4713	-	0.4713**	0.4377
Group 2	0.2674	0.2039	0.4713**	0.4377
Standard Life accumulation				
Group 1	1.0644	-	1.0644*	1.0267
Group 2	0.5036	0.5608	1.0644*	1.0267
Institutional regulated accumulation				
Group 1	1.7487	-	1.7487*	1.6940
Group 2	0.9420	0.8067	1.7487*	1.6940
Platform 1 accumulation				
Group 1	0.5598	-	0.5598*	0.5451
Group 2	0.2168	0.3430	0.5598*	0.5451
Platform 1 income				
Group 1	0.4172	-	0.4172**	0.4192
Group 2	0.1857	0.2315	0.4172**	0.4192
Institutional S accumulation				
Group 1	0.5592	-	0.5592*	0.5200
Group 2	0.3142	0.2450	0.5592*	-
Institutional S income				
Group 1	0.4527	-	0.4527**	0.4700
Group 2	0.2477	0.2050	0.4527**	-

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.9987	-	0.9987*	0.8939
Group 2	0.4542	0.5445	0.9987*	0.8939
Institutional accumulation				
Group 1	1.2190	-	1.2190*	1.0613
Group 2	0.5764	0.6426	1.2190*	1.0613
Retail income				
Group 1	0.3616	-	0.3616**	0.3230
Group 2	0.2068	0.1548	0.3616**	0.3230
Institutional income				
Group 1	0.4016	-	0.4016**	0.3611
Group 2	0.1600	0.2416	0.4016**	0.3611
Standard Life income				
Group 1	0.4913	-	0.4913**	0.4476
Group 2	0.4913	-	0.4913**	-
Standard Life accumulation				
Group 1	1.1753	-	1.1753*	1.0297
Group 2	0.8351	0.3402	1.1753*	1.0297
Institutional regulated accumulation				
Group 1	1.9514	-	1.9514*	1.7010
Group 2	1.1565	0.7949	1.9514*	1.7010
Platform 1 accumulation				
Group 1	0.6305	-	0.6305*	0.5488
Group 2	0.3728	0.2577	0.6305*	0.5488
Platform 1 income				
Group 1	0.4667	-	0.4667**	0.4189
Group 2	0.1966	0.2701	0.4667**	0.4189
Institutional S accumulation				
Group 1	0.5958	-	0.5958*	0.5950
Group 2	0.5958	-	0.5958*	-
Institutional S income				
Group 1	0.4574	-	0.4574**	0.4950
Group 2	0.4574	-	0.4574**	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Investment Grade Corporate Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in Sterling-denominated investment grade corporate bonds.

Performance Target: To achieve the return of the iBoxx Sterling Collateralized & Corporates plus 0.8% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 60% in Sterling denominated investment grade corporate bonds.
- The Fund may invest in investment grade bonds issued anywhere in the world by governments and corporations, including sub-sovereigns inflation-linked, convertible, asset backed and mortgage backed bonds. The Fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- At the point of investment all bonds shall be investment grade with a credit rating of "BBB-" or higher from at least one major rating agency such as Standard & Poor's, Moody's or Fitch.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's prospects and creditworthiness compared to that of the market.
- In seeking to achieve the Performance Target, the iBoxx Sterling Collateralized & Corporates is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 2.5%. Due to the fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the iBoxx Sterling Collateralized & Corporates over the longer term.

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk

profile of the Fund (often referred to as "Efficient Portfolio Management").

- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance

Over the period under review, the Fund returned 11.0%. This compared to a return of 11.9% for our performance target (the iBoxx Sterling Collateralized & Corporates Index +0.8%).

The Fund's outperformance compared to the benchmark over the review period was mainly the result of good stock selection. From the ratings perspective, the Fund's overweight position in BBB rated credits contributed positively to performance, as did an underweight in A-rated credits. In terms of individual securities, there was a positive contribution from the UK banks HSBC and Barclays. These issuers all got a boost firstly from the elimination of the risk of a 'no-deal' Brexit scenario and later from the election of a perceived more market-friendly Conservative government in December. Likewise, the water utility Affinity Water got a boost from the removal of the threat of a Labour government, which might have increased the risk of nationalisation and/or less favourable regulations.

On the negative side, with the UK retail property sector continuing to make bad headlines, this weighed on the Fund's overweights in Intu Metrocentre and Land Securities. In addition, with the global coronavirus outbreak leading to widespread global travel restrictions, this was negative for our overweight position in FGP Topco, the consortium that owns Heathrow Airport.

Investment activity

In the primary market, in the first half of the review period, we took part in debut deals in the sterling market from Berkshire Hathaway. We took part in both the 20-year and 40-year deals, which were well subscribed and which performed well after issuance. We also took part in a new deal for Fidelity National, a US-based payment service provider, which also performed well. In the second half of the review period, we increased our housing association exposure by buying the new issue bonds of Wrekin Housing. We also bought the new 7-year bonds of telecoms conglomerate CK Hutchison and a new euro-denominated deal for the German autoparts maker ZF Friedrichshafen.

In the secondary market, in the first half of the review period, we added to Verizon, where we think the credit trajectory remains positive. Towards the end of the review period, we bought the short-dated bonds of Scania, which is a Swedish commercial vehicle manufacturer that is part of the Volkswagen Group and whose credit profile we like. On the sell side, we took profits on some of our water utility holdings, including Thames Water and Severn Trent Water. We also took some profits on the UK housing association Bromford Housing.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 4 because of the extent to which the following risk factors apply:

- The Fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	152.05	151.16	149.83
Return before operating charges*	17.57	2.44	2.89
Operating charges	(1.66)	(1.55)	(1.56)
Return after operating charges*	15.91	0.89	1.33
Distributions	(3.80)	(3.88)	(4.01)
Retained distributions on accumulation shares	3.80	3.88	4.01
Closing net asset value per share	167.96	152.05	151.16
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.46%	0.59%	0.89%
Other information			
Closing net asset value (£'000)	89,958	90,025	101,050
Closing number of shares	53,558,016	59,208,860	66,848,383
Operating charges	1.02%	1.02%	1.02%
Direct transaction costs	–	–	–
Prices			
Highest share price	170.4	153.4	155.4
Lowest share price	152.8	148.8	150.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	164.22	162.57	160.45
Return before operating charges*	19.03	2.64	3.10
Operating charges	(1.06)	(0.99)	(0.98)
Return after operating charges*	17.97	1.65	2.12
Distributions	(4.86)	(4.87)	(4.95)
Retained distributions on accumulation shares	4.86	4.87	4.95
Closing net asset value per share	182.19	164.22	162.57
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.94%	1.02%	1.32%
Other information			
Closing net asset value (£'000)	119,649	112,664	78,174
Closing number of shares	65,672,711	68,604,773	48,085,444
Operating charges	0.60%	0.61%	0.60%
Direct transaction costs	–	–	–
Prices			
Highest share price	184.8	165.7	167.0
Lowest share price	165.0	160.6	160.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	61.09	62.31	63.41
Return before operating charges*	7.02	0.99	1.23
Operating charges	(0.66)	(0.63)	(0.65)
Return after operating charges*	6.36	0.36	0.58
Distributions	(1.52)	(1.58)	(1.68)
Closing net asset value per share	65.93	61.09	62.31
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.41%	0.58%	0.91%
Other information			
Closing net asset value (£'000)	28,038	28,480	31,957
Closing number of shares	42,524,164	46,623,613	51,286,468
Operating charges	1.02%	1.02%	1.02%
Direct transaction costs	–	–	–
Prices			
Highest share price	67.26	62.79	65.15
Lowest share price	61.37	60.16	62.32

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	60.85	62.07	63.16
Return before operating charges*	6.99	0.99	1.23
Operating charges	(0.38)	(0.37)	(0.38)
Return after operating charges*	6.61	0.62	0.85
Distributions	(1.78)	(1.84)	(1.94)
Closing net asset value per share	65.68	60.85	62.07
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.86%	1.00%	1.35%
Other information			
Closing net asset value (£'000)	39,668	121,250	141,799
Closing number of shares	60,391,408	199,257,359	228,440,123
Operating charges	0.60%	0.61%	0.60%
Direct transaction costs	–	–	–
Prices			
Highest share price	67.07	62.57	64.97
Lowest share price	61.14	59.93	62.08

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	49.52	50.56	51.45
Return before operating charges*	5.71	0.77	1.00
Operating charges	(0.01)	(0.01)	(0.01)
Return after operating charges*	5.70	0.76	0.99
Distributions	(1.76)	(1.80)	(1.88)
Closing net asset value per share	53.46	49.52	50.56
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.51%	1.50%	1.92%
Other information			
Closing net asset value (£'000)	27,023	30,400	20,677
Closing number of shares	50,549,524	61,385,889	40,896,870
Operating charges	0.02%	0.02%	0.02%
Direct transaction costs	–	–	–
Prices			
Highest share price	54.66	51.02	53.00
Lowest share price	49.76	48.82	50.56

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	89.64	88.30	86.72
Return before operating charges*	10.40	1.43	1.67
Operating charges	(0.10)	(0.09)	(0.09)
Return after operating charges*	10.30	1.34	1.58
Distributions	(3.14)	(3.09)	(3.15)
Retained distributions on accumulation shares	3.14	3.09	3.15
Closing net asset value per share	99.94	89.64	88.30
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.49%	1.52%	1.82%
Other information			
Closing net asset value (£'000)	225	205	344
Closing number of shares	224,825	228,818	388,929
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–
Prices			
Highest share price	101.4	90.44	90.65
Lowest share price	90.06	87.55	86.61

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	153.33	151.49	149.23
Return before operating charges*	17.78	2.46	2.87
Operating charges	(0.66)	(0.62)	(0.61)
Return after operating charges*	17.12	1.84	2.26
Distributions	(4.87)	(4.84)	(4.95)
Retained distributions on accumulation shares	4.87	4.84	4.95
Closing net asset value per share	170.45	153.33	151.49
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.17%	1.21%	1.51%
Other information			
Closing net asset value (£'000)	698	1,068	1,236
Closing number of shares	409,611	696,275	815,908
Operating charges	0.40%	0.40%	0.40%
Direct transaction costs	–	–	–
Prices			
Highest share price	172.9	154.7	155.6
Lowest share price	154.1	149.9	149.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life B accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	89.74	88.31	86.64
Return before operating charges*	10.42	1.43	1.67
Operating charges	–	–	–
Return after operating charges*	10.42	1.43	1.67
Distributions	(3.24)	(3.19)	(3.23)
Retained distributions on accumulation shares	3.24	3.19	3.23
Closing net asset value per share	100.16	89.74	88.31
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.61%	1.62%	1.92%
Other information			
Closing net asset value (£'000)	2,356	2,449	2,626
Closing number of shares	2,352,768	2,729,034	2,974,079
Operating charges	–	–	–
Direct transaction costs	–	–	–
Prices			
Highest share price	101.6	90.53	90.65
Lowest share price	90.16	87.62	86.53

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	69.06	68.40	67.55
Return before operating charges*	7.99	1.11	1.30
Operating charges	(0.48)	(0.45)	(0.45)
Return after operating charges*	7.51	0.66	0.85
Distributions	(2.00)	(2.02)	(2.07)
Retained distributions on accumulation shares	2.00	2.02	2.07
Closing net asset value per share	76.57	69.06	68.40
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.87%	0.97%	1.26%
Other information			
Closing net asset value (£'000)	39,583	70,258	24,929
Closing number of shares	51,692,408	101,735,996	36,443,885
Operating charges	0.65%	0.66%	0.65%
Direct transaction costs	–	–	–
Prices			
Highest share price	77.68	69.68	70.28
Lowest share price	69.38	67.54	67.44

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	56.47	57.60	58.61
Return before operating charges*	6.49	0.92	1.15
Operating charges	(0.39)	(0.37)	(0.39)
Return after operating charges*	6.10	0.55	0.76
Distributions	(1.62)	(1.68)	(1.77)
Closing net asset value per share	60.95	56.47	57.60
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	10.80%	0.95%	1.30%
Other information			
Closing net asset value (£'000)	13,802	13,207	16,732
Closing number of shares	22,644,353	23,389,278	29,047,825
Operating charges	0.65%	0.66%	0.65%
Direct transaction costs	–	–	–
Prices			
Highest share price	62.23	58.06	60.28
Lowest share price	56.73	55.61	57.60

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	63.07	62.32	61.39
Return before operating charges*	7.37	1.02	1.20
Operating charges	(0.30)	(0.27)	(0.27)
Return after operating charges*	7.07	0.75	0.93
Distributions	(2.01)	(1.96)	(1.98)
Retained distributions on accumulation shares	2.01	1.96	1.98
Closing net asset value per share	70.14	63.07	62.32
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.21%	1.21%	1.51%
Other information			
Closing net asset value (£'000)	173	–	1
Closing number of shares	246,097	200	2,200
Operating charges	0.43%	0.43%	0.43%
Direct transaction costs	–	–	–
Prices			
Highest share price	71.15	63.63	64.03
Lowest share price	63.37	61.66	61.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	52.89	54.00	54.95
Return before operating charges*	6.11	0.83	1.09
Operating charges	(0.24)	(0.23)	(0.24)
Return after operating charges*	5.87	0.60	0.85
Distributions	(1.74)	(1.71)	(1.80)
Closing net asset value per share	57.02	52.89	54.00
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.10%	1.11%	1.55%
Other information			
Closing net asset value (£'000)	70,381	–	1
Closing number of shares	123,432,174	200	2,200
Operating charges	0.43%	0.43%	0.43%
Direct transaction costs	–	–	–
Prices			
Highest share price	58.24	54.45	56.54
Lowest share price	53.14	52.18	54.00

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (98.35%)		424,745	98.43
Euro Denominated Bonds (0.83%)		2,385	0.55
Corporate Bonds (0.83%)		2,385	0.55
between 5 and 10 years to maturity			
1,142,000	Danske Bank 1.375% fixed to floating 2030	991	0.23
greater than 25 years to maturity			
1,600,000	Channel Link Enterprises Finance 1.761% fixed to floating 2050	1,394	0.32
Sterling Denominated Bonds (95.79%)		417,237	96.68
Corporate Bonds (93.61%)		411,840	95.43
less than 5 years to maturity			
920,000	AA Bond 2.75% 2023	895	0.21
549,000	AA Bond 2.875% 2022	552	0.13
1,288,000	Anheuser-Busch InBev 9.75% 2024	1,759	0.41
800,000	APT Pipelines 4.25% 2024	904	0.21
2,200,000	Banco Santander 1.375% 2024	2,194	0.51
1,715,000	Bank of America 5.5% 2021	1,838	0.43
2,052,000	Barclays 3.125% 2024	2,155	0.50
1,700,000	Barclays 10% 2021	1,871	0.43
1,500,000	British American Tobacco 1.75% 2021	1,512	0.35
1,135,000	Citigroup 2.75% 2024	1,192	0.28
1,798,000	Citigroup 5.875% 2024	2,113	0.49
1,700,000	Cooperatieve Rabobank 1.25% 2025	1,693	0.39
1,697,000	Co-Operative Bank 4.75% 2021	1,780	0.41
1,535,000	Coventry 5.875% 2022	1,716	0.40
1,300,000	Credit Agricole 7.375% 2023	1,579	0.37
936,000	Credit Suisse 3% 2022	971	0.23
2,300,000	Deutsche Bank 1.75% 2021	2,304	0.53
2,300,000	Deutsche Bank 2.625% 2024	2,336	0.54
873,000	Enel 5.625% 2024	1,035	0.24
500,000	FCE Bank 2.727% 2022	508	0.12
1,484,000	First Abu Dhabi Bank 1.375% 2023	1,487	0.34
2,020,000	First Hydro 9% 2021	2,232	0.52
1,216,000	FirstGroup 6.875% 2024	1,436	0.33
497,000	Friends Life 8.25% 2022	569	0.13
1,992,000	Global Switch 4.375% 2022	2,155	0.50
1,384,000	Go-Ahead 2.5% 2024	1,409	0.33
1,786,000	Heathrow Funding 7.125% 2024	2,153	0.50
2,000,000	HSBC 2.175% 2023	2,031	0.47
1,500,000	innogy Finance 5.5% 2022	1,655	0.38
1,100,000	Intesa Sanpaolo 5.25% 2022	1,179	0.27

Holding	Investment	Market value £'000	Percentage of total net assets
3,150,000	Intu (SGS) Finance 4.125% 2023	2,822	0.65
1,787,000	Lend Lease Europe 6.125% 2021	1,910	0.44
1,627,000	Lloyds Bank Corporate Markets 1.75% 2024	1,642	0.38
650,000	Lloyds Banking Group 2.25% 2024	666	0.15
818,000	MPT Operating Partnership 2.55% 2023	838	0.19
1,139,000	Pacific National Finance 5% 2023	1,273	0.29
1,059,000	Petróleos Mexicanos 8.25% 2022	1,206	0.28
1,100,000	Scania 1.875% 2022	1,108	0.26
1,600,000	Societe Generale 1.875% 2024	1,621	0.38
2,000,000	Telefonica Emisiones 5.289% 2022	2,223	0.51
1,120,000	Thames Water 1.875% 2024	1,145	0.26
973,000	Volkswagen Financial Services 1.5% 2021	975	0.23
1,200,000	Volkswagen Financial Services 1.625% 2022	1,206	0.28
1,400,000	Volkswagen Financial Services 1.875% 2024	1,404	0.33
1,956,000	Western Power 3.625% 2023	2,090	0.48
between 5 and 10 years to maturity			
1,700,000	Abertis Infraestructuras 3.375% 2026	1,810	0.42
1,713,000	ABP 6.25% 2026	2,138	0.50
831,000	America Movil 5% 2026	1,009	0.23
1,400,000	Anglian Water 2.625% 2027	1,433	0.33
572,000	Anglian Water 4.5% 2027	694	0.16
895,000	Anglian Water 6.625% 2029	1,261	0.29
1,222,000	Anheuser-Busch InBev 2.25% 2029	1,270	0.29
2,515,000	Annington Funding 3.184% 2029	2,724	0.63
1,509,000	Assura Financing 3% 2028	1,671	0.39
1,500,000	AT&T 5.5% 2027	1,856	0.43
2,400,000	Bank of America 7% 2028	3,383	0.78
1,400,000	Barclays 3.25% 2027	1,492	0.35
665,000	Barclays 5.75% fixed to floating 2026	813	0.19
1,700,000	Bazalgette Finance 2.375% 2027	1,835	0.43
1,434,000	BNP Paribas 3.375% 2026	1,560	0.36
1,300,000	BPCE 5.25% 2029	1,630	0.38
1,000,000	British American Tobacco 4% 2026	1,115	0.26
1,724,000	Citigroup 1.75% 2026	1,734	0.40
1,029,000	CK Hutchison 2% 2027	1,029	0.24
1,200,000	Comcast 5.5% 2029	1,633	0.38
1,880,000	Commonwealth Bank of Australia 3% 2026	2,125	0.49
2,665,000	CPUK 3.588% 2025	2,891	0.67
950,000	Credit Suisse 2.125% fixed to floating 2025	968	0.22
922,000	CYBG 3.125% 2025	937	0.22
1,000,000	CYBG 4% 2026	1,065	0.25

Holding	Investment	Market value £'000	Percentage of total net assets
1,069,000	CYBG 5% 2026	1,090	0.25
1,184,000	Danske Bank 2.25% fixed to floating 2028	1,197	0.28
2,000,000	Digital Stout 3.3% 2029	2,197	0.51
2,000,000	Eversholt 6.359% 2025	2,475	0.57
801,000	Fidelity National Information Services 2.602% 2025	848	0.20
292,000	Fiserv 2.25% 2025	303	0.07
2,200,000	Hammerson 6% fixed to floating 2026	2,592	0.60
1,500,000	Heathrow Funding 6.75% 2026	1,982	0.46
546,000	HSBC 2.256% 2026	557	0.13
1,072,000	HSBC 2.625% 2028	1,132	0.26
1,917,000	Lloyds Bank 5.125% 2025	2,308	0.53
1,715,000	Lloyds Bank 5.75% fixed to floating 2025	1,740	0.40
1,600,000	Lloyds Bank 6% 2029	2,263	0.52
2,258,000	Lloyds Bank 7.625% 2025	2,883	0.67
1,161,000	London & Quadrant Housing Trust 2.625% 2026	1,235	0.29
1,018,000	Morgan Stanley 2.625% 2027	1,079	0.25
1,079,000	MPT Operating Partnership 3.692% 2028	1,144	0.27
826,000	NewRiver REIT 3.5% 2028	846	0.20
1,080,000	Northern Powergrid Yorkshire 2.5% 2025	1,145	0.27
1,561,000	Notting Hill Genesis 2.875% 2029	1,694	0.39
550,000	Orange 8.125% 2028	835	0.19
2,563,000	Quadgas Finance 3.375% 2029	2,759	0.64
1,375,000	Rabobank 4.625% 2029	1,659	0.38
1,866,000	Royal Bank of Scotland 2.875% 2026	1,948	0.45
2,700,000	Santander UK Group 3.625% 2026	2,951	0.68
799,000	Scentre Management 3.875% 2026	898	0.21
1,375,000	Shaftesbury Chinatown 2.348% 2027	1,411	0.33
1,443,000	Southern Gas Networks 4.875% 2029	1,866	0.43
810,000	SP Manweb 4.875% 2027	1,008	0.23
1,482,000	Stagecoach Group 4% 2025	1,595	0.37
1,500,000	Telefonica Emisiones 5.445% 2029	1,959	0.45
1,961,000	Telereal 4.9741% 2033	1,329	0.31
1,300,000	Thames Water 3.5% 2028	1,462	0.34
500,000	Tritax Big Box REIT 2.625% 2026	526	0.12
1,251,000	Unite Group 3.5% 2028	1,392	0.32
1,300,000	United Utilities 5.625% 2027	1,717	0.40
980,000	Virgin Money UK 7.875% fixed to floating 2028	1,122	0.26
2,400,000	Volkswagen International Finance 3.375% 2026	2,596	0.60
1,518,000	Wells Fargo 2% 2025	1,556	0.36
2,100,000	Welltower 4.8% 2028	2,547	0.59
1,500,000	Westfield America Management 2.125% 2025	1,550	0.36

Holding	Investment	Market value £'000	Percentage of total net assets
1,751,000	Westfield Stratford City Finance 1.642% 2026	1,806	0.42
991,000	Yorkshire Building Society 3.375% 2028	1,037	0.24
between 10 and 15 years to maturity			
1,000,000	APT Pipelines 3.5% 2030	1,120	0.26
1,223,000	Arqiva 4.882% 2032	1,221	0.28
1,600,000	Arqiva 5.34% 2030	1,987	0.46
1,500,000	Barclays 3.25% 2033	1,584	0.37
800,000	British American Tobacco 6% 2034	1,072	0.25
1,035,000	Canary Wharf Finance 6.455% 2033	258	0.06
1,300,000	Centrica 7% 2033	1,983	0.46
2,336,000	E.ON Finance 6.375% 2032	3,421	0.79
466,000	Eastern Power Networks 2.125% 2033	481	0.11
500,000	EDF 6.125% 2034	739	0.17
320,000	Eversholt 6.697% 2035	426	0.10
1,134,000	Fidelity National Information Services 3.36% 2031	1,283	0.30
329,000	Fiserv 3% 2031	358	0.08
500,000	Gatwick 4.625% 2034	641	0.15
3,700,000	GlaxoSmithKline 5.25% 2033	5,324	1.23
900,000	Great Rolling Stock 6.5% 2031	984	0.23
700,000	Greater Gabbard 4.137% 2032	688	0.16
3,017,000	Greene King FRN 2033	2,193	0.51
911,000	Gwynt y Môr 2.778% 2034	843	0.20
1,692,000	HSBC 3% fixed to floating 2030	1,811	0.42
1,398,000	HSBC 5.375% 2033	1,834	0.42
2,515,000	HSBC Bank 5.375% 2030	2,963	0.69
1,304,000	innogy Finance 6.25% 2030	1,828	0.42
1,098,000	John Lewis 4.25% 2034	1,077	0.25
2,192,000	Land Securities 2.399% 2031	2,356	0.55
893,000	London & Quadrant Housing Trust 4.625% 2033	1,189	0.28
1,575,000	Meadowhall Finance 4.986% 2032	1,365	0.32
1,018,000	Notting Hill Housing Trust 3.75% 2032	1,215	0.28
300,000	Orange 3.25% 2032	339	0.08
1,513,000	Orange 5.625% 2034	2,151	0.50
1,332,000	Pension Insurance 5.625% 2030	1,519	0.35
340,000	Quadrant Housing 7.93% 2033	451	0.10
995,000	Severn Trent 2.75% 2031	1,118	0.26
1,200,000	Shaftesbury Carnaby 2.487% 2031	1,244	0.29
745,000	SP Transimission 2% 2031	767	0.18
1,054,000	Telereal 4.0902% fixed to floating 2033	1,087	0.25
1,071,000	Telereal FRN 2033	1,060	0.25
1,599,000	Telereal Secured 4.01% 2033	1,295	0.30

Holding	Investment	Market value £'000	Percentage of total net assets
500,000	Telereal Securitisation FRN 2031	463	0.11
355,000	Thames Water 4.375% 2034	450	0.10
1,607,000	Time Warner Cable 5.75% 2031	2,005	0.46
2,010,000	Verizon Communications 1.875% 2030	2,018	0.47
537,000	Verizon Communications 2.5% 2031	569	0.13
2,200,000	Wal-Mart 5.625% 2034	3,362	0.78
2,387,000	Western Power 5.75% 2032	3,355	0.78
between 15 and 25 years to maturity			
1,000,000	America Movil 4.375% 2041	1,346	0.31
1,839,000	Anheuser-Busch InBev 2.85% 2037	1,984	0.46
597,000	Aspire Defence 4.674% 2040 'A'	723	0.17
1,845,000	Aspire Defence 4.674% 2040 'B'	2,234	0.52
360,000	Aster Treasury 4.5% 2043	528	0.12
1,975,000	AT&T 4.25% 2043	2,311	0.54
1,300,000	AT&T 7% 2040	2,039	0.47
2,230,000	Aviva 6.125% 2036	2,694	0.62
2,224,000	Aviva 6.625% fixed to floating 2041	2,362	0.55
971,000	Berkshire Hathaway Finance 2.375% 2039	1,058	0.24
1,246,000	BPHA 4.816% 2044	1,866	0.43
750,000	British American Tobacco 5.75% 2040	1,007	0.23
600,000	British Telecom 6.375% 2037	893	0.21
800,000	Broadgate Financing 4.821% 2036	1,108	0.26
2,675,000	Broadgate Financing 5.098% 2035	3,031	0.69
1,500,000	Cadent Finance 2.625% 2038	1,577	0.37
660,000	Canary Wharf Finance 5.952% 2037	997	0.23
983,000	Circle Anglia 5.2% 2044	1,576	0.37
800,000	Citigroup 6.8% 2038	1,361	0.32
896,000	Comcast 1.875% 2036	892	0.21
1,100,000	Connect Plus 2.607% 2039	1,214	0.28
1,320,000	Direct Line 9.25% 2042	1,532	0.35
976,000	Dwr Cymru Financing 2.5% 2036	1,113	0.26
2,150,000	E.ON Finance 6.75% 2039	3,555	0.82
1,428,000	Enel 5.75% 2037	2,054	0.48
1,554,000	Eversholt 3.529% 2042	1,728	0.40
550,000	Futures Treasury 3.375% 2044	690	0.16
1,439,000	Gatwick 5.75% 2037	2,077	0.48
328,000	GE Capital 6.25% 2038	484	0.11
400,000	GE Capital 8% 2039	671	0.16
1,000,000	GlaxoSmithKline 6.375% 2039	1,691	0.39
700,000	Heathrow Funding 5.875% 2041	1,087	0.25
2,400,000	HSBC 6% 2040	3,301	0.76

Holding	Investment	Market value £'000	Percentage of total net assets
1,550,000	innogy Finance 6.125% 2039	2,447	0.57
500,000	Land Securities 2.625% 2037	551	0.13
5,000	Lloyds Bank 6.5% 2040	9	–
1,702,000	Morhomes 3.4% 2038	1,919	0.44
1,736,000	Motability Operations 2.375% 2039	1,851	0.43
1,400,000	Munich Re 6.625% fixed to floating 2042	1,561	0.36
1,140,000	Northumbrian Water 5.125% 2042	1,748	0.41
2,000,000	Octagon Healthcare 5.333% 2035	2,153	0.50
1,672,000	Orsted 5.75% 2040	2,660	0.62
766,759	Peel 8.375% 2040	1,176	0.27
2,557,000	QBE Insurance 6.115% 2042	2,786	0.65
1,600,000	RL Finance 6.125% fixed to floating 2043	1,806	0.42
1,875,000	RMPA Services 5.337% 2038	1,901	0.44
872,000	Scottish Hydro 2.25% 2035	904	0.21
600,000	Sovereign Housing Capital 5.705% 2039	989	0.23
900,000	SSE 6.25% fixed to floating 2038	1,409	0.33
900,000	TC Dudgeon Ofo 3.158% 2038	1,004	0.23
3,300,000	Tesco 5.8006% 2040	4,319	1.00
1,500,000	Thames Water 5.5% 2041	2,254	0.52
514,000	Vattenfall 6.875% 2039	905	0.21
2,200,000	Verizon Communications 3.125% 2035	2,494	0.58
870,000	Wheatley 4.375% 2044	1,208	0.28
greater than 25 years to maturity			
451,000	AA Bond 5.5% 2050	463	0.11
1,536,000	Aviva 5.125% 2050	1,754	0.41
893,000	AXA 5.625% 2054	1,081	0.25
793,000	Berkshire Hathaway Finance 2.625% 2059	924	0.21
1,610,000	Blend Funding 3.459% 2047	2,032	0.47
793,000	British American Tobacco 2.25% 2052	612	0.14
400,000	British American Tobacco 4% 2055	426	0.10
550,000	Bromford Housing 3.125% 2048	691	0.16
700,000	Channel Link 3.043% 2050	749	0.17
884,000	Channel Link 6.341% 2046	1,142	0.26
1,000,000	EDF 5.125% 2050	1,508	0.35
2,400,000	EDF 6% 2114	3,991	0.92
800,000	Engie 5% 2060	1,453	0.34
1,800,000	Finsbury Square 2018-2 FRN 2068	1,665	0.39
1,053,000	Gatwick 2.875% 2049	1,085	0.25
1,000,000	Gatwick 3.25% 2048	1,100	0.25
2,420,000	Heathrow Funding 4.625% 2046	3,392	0.79

Holding	Investment	Market value £'000	Percentage of total net assets
1,486,000	Income Contingent Student Loans 2 2007-2009 2.5% 2058	1,394	0.32
429,000	Incommunities Treasury 3.25% 2049	543	0.13
400,000	Legal & General 5.5% 2064	461	0.11
2,534,000	NGG 5.625% fixed to floating 2073	2,879	0.67
914,000	Northern Powergrid Yorkshire 2.25% 2059	972	0.22
1,107,000	Notting Hill Housing Trust 4.375% 2054	1,594	0.37
1,679,000	Optivo Finance 3.283% 2048	2,043	0.47
626,000	Paragon FRN 2050	620	0.14
1,671,000	Peabody Capital 4.625% 2053	2,611	0.61
1,161,000	Penarian Housing Finance 3.212% 2052	1,342	0.31
2,400,000	Prudential 5% 2055	2,661	0.62
404,000	Prudential 5.625% fixed to floating 2051	461	0.11
1,184,000	RL Finance 4.875% fixed to floating 2039	1,188	0.28
1,600,000	RMAC FRN 2046	1,287	0.30
820,000	SSE 3.625% 2077	847	0.20
1,442,000	Tolkien Funding Sukuk FRN 2052	1,043	0.24
750,000	University of Cambridge 2.35% 2078	1,070	0.25
900,000	University of Cambridge 3.75% 2052	1,474	0.34
900,000	Vodafone 3% 2056	898	0.21
1,000,000	Vodafone 3.375% 2049	1,075	0.25
887,000	Wellcome Trust 2.517% 2118	1,155	0.27
653,000	Wrekin Housing 2.5% 2048	715	0.17
Perpetual			
1,400,000	Assicurazioni Generali 6.269% fixed to floating Perpetual	1,548	0.36
2,284,000	Aviva 5.9021% fixed to floating Perpetual	2,304	0.53
3,000,000	Aviva 6.125% fixed to floating Perpetual	3,256	0.75
1,598,000	AXA 5.453% fixed to floating Perpetual	1,805	0.42
1,781,000	Credit Agricole 7.5% fixed to floating Perpetual	2,083	0.48
700,000	EDF 5.875% fixed to floating Perpetual	786	0.18
2,000,000	EDF 6% fixed to floating Perpetual	2,210	0.51
950,000	HSBC 5.844% fixed to floating Perpetual	1,315	0.30
1,200,000	HSBC 5.875% fixed to floating Perpetual	1,293	0.30
1,600,000	Lloyds Banking Group 7.625% fixed to floating Perpetual	1,740	0.40
800,000	Orange 5.75% fixed to floating Perpetual	883	0.20
1,200,000	Orange 5.875% fixed to floating Perpetual	1,290	0.30
2,924,000	Pennon 2.875% fixed to floating Perpetual	2,922	0.68
2,000,000	SSE 3.875% fixed to floating Perpetual	2,012	0.47
Government Bonds (2.18%)		5,397	1.25
between 15 and 25 years to maturity			
2,159,000	UK (Govt of) 4.5% 2042	3,756	0.87

		Market value	Percentage of total net
greater than 25 years to maturity			
919,000	UK (Govt of) 4.25% 2046	1,641	0.38
US Dollar Denominated Bonds (1.73%)		5,123	1.20
Corporate Bonds (1.73%)		5,123	1.20
Perpetual			
1,575,000	BNP Paribas 4.5% fixed to floating Perpetual	1,165	0.27
2,255,000	SEB 5.75% fixed to floating Perpetual	1,767	0.42
2,800,000	Swedbank 5.5% fixed to floating Perpetual	2,191	0.51
Collective Investment Schemes (0.16%)		3,035	0.70
3,035	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	3,035	0.70
Derivatives (0.02%)		(12)	(0.01)
Forward Currency Contracts (0.05%)		(129)	(0.04)
	Buy EUR 964,358 Sell GBP 823,066 05/05/2020	8	-
	Buy EUR 1,090,024 Sell GBP 927,688 05/05/2020	12	-
	Buy GBP 4,077,799 Sell EUR 4,792,506 05/05/2020	(53)	(0.01)
	Buy GBP 2,419,738 Sell USD 3,148,000 05/05/2020	(40)	(0.01)
	Buy GBP 4,450,015 Sell USD 5,794,343 05/05/2020	(79)	(0.02)
	Buy USD 711,002 Sell GBP 545,883 05/05/2020	9	-
	Buy USD 1,577,876 Sell GBP 1,219,262 05/05/2020	14	-
Futures (-0.03%)		117	0.03
82	Long Long Gilt Future 26/06/2020	117	0.03
Total investment assets and liabilities		427,768	99.12
Net other assets		3,786	0.88
Total Net Assets		431,554	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	36,435	(7,783)
Revenue	4	16,023	15,300
Expenses	5	(3,136)	(2,969)
Interest payable and similar charges		(2)	-
Net revenue before taxation		12,885	12,331
Taxation	6	-	-
Net revenue after taxation		12,885	12,331
Total return before distributions		49,320	4,548
Distributions	7	(12,885)	(12,331)
Change in net assets attributable to shareholders from investment activities		36,435	(7,783)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	470,006	419,528
Amounts receivable on the issue of shares	27,183	115,295
Amounts payable on the cancellation of shares	(109,192)	(63,716)
	(82,009)	51,579
Dilution adjustment	35	(8)
Change in net assets attributable to shareholders from investment activities (see above)	36,435	(7,783)
Retained distribution on accumulation shares	7,085	6,688
Unclaimed distributions	2	2
Closing net assets attributable to shareholders	431,554	470,006

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		427,940	463,292
Current assets:			
Debtors	8	6,162	10,746
Cash and bank balances	9	88	823
		6,250	11,569
Total assets		434,190	474,861
Liabilities:			
Investment liabilities		(172)	(172)
Creditors	10	(1,248)	(3,267)
Bank overdrafts		–	(7)
Distribution payable		(1,216)	(1,409)
		(2,464)	(4,683)
Total liabilities		(2,636)	(4,855)
Net assets attributable to shareholders		431,554	470,006

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	36,446	(7,685)
Derivative contracts	213	282
Forward currency contracts	(248)	(350)
Other gains/(losses)	32	(22)
Transaction charges	(8)	(8)
Net capital gains/(losses)	36,435	(7,783)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	121,304	167,098	192,679	109,765
Collective investment schemes	103,148	110,845	100,868	110,298
Trades in the year before transaction costs	224,452	277,943	293,547	220,063
Total net trades in the year after transaction costs	224,452	277,943	293,547	220,063

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.81% (2019: 0.74%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Taxable distributions on offshore funds	16	12
Interest on debt securities	16,007	15,280
Bank interest	–	8
Total revenue	16,023	15,300

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,721	2,629
Dealing charge	53	25
Registration fees	259	221
	3,033	2,875
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	55	50
Safe custody fee	34	32
	89	82
Other:		
Professional fees	1	–
Audit fee	13	12
	14	12
Total expenses	3,136	2,969

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	12,885	12,331
Corporation tax at 20% (2019: 20%)	2,577	2,466
Effects of:		
Distributions treated as tax deductible	(2,577)	(2,466)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	3,379	3,162
Second interim distribution	3,338	3,002
Third interim distribution	3,083	3,112
Final distribution	2,770	3,290
	12,570	12,566
Add: Income deducted on cancellation of shares	565	242
Deduct: Income received on issue of shares	(250)	(477)
Net distribution for the year	12,885	12,331

Details of the distribution per share are set out in this Fund's distribution tables.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	28	605
Sales awaiting settlement	–	2,412
Accrued revenue	6,134	7,729
Total debtors	6,162	10,746

9 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	86	215
Cash and bank balances	2	608
Collateral cash	–	(7)
Total cash and bank balances	88	816

10 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	999	243
Purchases awaiting settlement	–	2,757
Accrued expenses payable to ACD	219	238
Accrued expenses payable to the Depositary or associates of the Depositary	15	17
Other accrued expenses	15	12
Total creditors	1,248	3,267

11 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 10.

12 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	59,208,860	55,418	(5,307,991)	(398,271)	53,558,016
Institutional accumulation	68,604,773	3,590,848	(6,564,407)	41,497	65,672,711
Retail income	46,623,613	163,489	(3,808,513)	(454,425)	42,524,164
Institutional income	199,257,359	7,117,492	(26,142,145)	(119,841,298)	60,391,408
Standard Life income	61,385,889	1,856,059	(12,692,424)	–	50,549,524
Standard Life accumulation	228,818	4,995	(8,988)	–	224,825
Institutional regulated accumulation	696,275	–	(286,664)	–	409,611
Standard Life B accumulation	2,729,034	65,391	(441,657)	–	2,352,768
Platform 1 accumulation	101,735,996	15,697,669	(66,222,726)	481,469	51,692,408
Platform 1 income	23,389,278	3,077,985	(4,164,247)	341,337	22,644,353
Institutional S accumulation	200	–	–	245,897	246,097
Institutional S income	200	3,899,193	(18,736,342)	138,269,123	123,432,174

13 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	5,397	419,348	–	7,561	454,697	–
Collective Investment Schemes	–	3,035	–	–	757	–
Derivatives	117	43	–	10	267	–
Total investment assets	5,514	422,426	–	7,571	455,721	–
Derivatives	–	(172)	–	(134)	(38)	–
Total investment liabilities	–	(172)	–	(134)	(38)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

14 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	2.65%	2.91%	2.78%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	2.71%	3.33%	2.92%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 2.89%, £12,362,000 (2019: 2.71%, £12,721,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Euro	30	(67)
US Dollar	9	735

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	74,513	345,846	11,156	431,515
Euro	2,385	–	(2,355)	30
US Dollar	5,123	–	(5,114)	9
2019				
Currency				
UK Sterling	76,849	374,362	18,127	469,338
Euro	2,082	1,810	(3,959)	(67)
US Dollar	5,821	2,907	(7,993)	735

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	403,517	411,412
Below Investment Grade Bonds	11,166	30,522
Unrated Bonds	10,062	20,324
Total Value of Bonds	424,745	462,258

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management or to meet the Fund's investment objectives. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

	2020 £'000	2019 £'000
Market Exposure		
Forward Currency Contracts	14,679	14,544
Futures	11,103	14,209
Total Market Exposure	25,782	28,753

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

	Collateral (held)/ pledged £'000	2020 Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/ pledged £'000	2019 Margin at clearing broker £'000	Market value of derivatives £'000
Counterparty or clearer						
UBS	-	-	(79)	-	-	-
Lloyd Bank	-	-	(32)	-	-	(22)
Standard Chartered	-	-	9	-	-	-
BNP Paribas	-	-	14	-	-	-
Goldman Sachs	-	86	117	-	319	(124)
Deutsche Bank	-	-	(41)	-	-	-
JP Morgan	-	-	-	-	-	119
Bank of America Merrill Lynch	-	-	-	(110)	-	146
NatWest Markets	-	-	-	-	-	(14)
Total	-	86	(12)	(110)	319	105

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

15 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 65.93p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 65.64p. This represents a decrease of 0.44% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.9685	-	0.9685*	0.9994
Group 2	0.4216	0.5469	0.9685*	0.9994
Institutional accumulation				
Group 1	1.2241	-	1.2241*	1.2481
Group 2	0.5474	0.6767	1.2241*	1.2481
Retail income				
Group 1	0.3890	-	0.3890**	0.4120
Group 2	0.2592	0.1298	0.3890**	0.4120
Institutional income				
Group 1	0.4536	-	0.4536**	0.4765
Group 2	0.2914	0.1622	0.4536**	0.4765
Standard Life income				
Group 1	0.4434	-	0.4434**	0.4627
Group 2	0.2309	0.2125	0.4434**	-
Standard Life accumulation				
Group 1	0.7841	-	0.7841*	0.7877
Group 2	0.3993	0.3848	0.7841*	0.7877
Institutional regulated accumulation				
Group 1	1.2222	-	1.2222*	1.2399
Group 2	-	-	-	-
Standard Life B accumulation				
Group 1	0.8087	-	0.8087*	0.8132
Group 2	-	-	-	0.8132
Platform 1 accumulation				
Group 1	0.5058	-	0.5058*	0.5164
Group 2	0.2361	0.2697	0.5058*	0.5164
Platform 1 income				
Group 1	0.4137	-	0.4137**	0.4349
Group 2	0.2710	0.1427	0.4137**	0.4349
Institutional S accumulation				
Group 1	0.5200	-	0.5200*	0.5172
Group 2	-	-	-	-
Institutional S income				
Group 1	0.5100	-	0.5100**	0.4463
Group 2	-	-	-	-

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.9592	-	0.9592*	0.9827
Group 2	0.5557	0.4035	0.9592*	0.9827
Institutional accumulation				
Group 1	1.2227	-	1.2227*	1.2320
Group 2	0.6617	0.5610	1.2227*	1.2320
Retail income				
Group 1	0.3830	-	0.3830**	0.4024
Group 2	0.1551	0.2279	0.3830**	0.4024
Institutional income				
Group 1	0.4491	-	0.4491**	0.4667
Group 2	0.2941	0.1550	0.4491**	0.4667
Standard Life income				
Group 1	0.4427	-	0.4427**	0.4544
Group 2	0.2847	0.1580	0.4427**	-
Standard Life accumulation				
Group 1	0.7890	-	0.7890*	0.7827
Group 2	0.5156	0.2734	0.7890*	0.7827
Institutional regulated accumulation				
Group 1	1.2246	-	1.2246*	1.2254
Group 2	-	-	-	-
Standard Life B accumulation				
Group 1	0.8143	-	0.8143*	0.8061
Group 2	-	-	-	0.8061
Platform 1 accumulation				
Group 1	0.5048	-	0.5048*	0.5094
Group 2	0.3206	0.1842	0.5048*	0.5094
Platform 1 income				
Group 1	0.4098	-	0.4098**	0.4259
Group 2	0.2244	0.1854	0.4098**	0.4259
Institutional S accumulation				
Group 1	0.5019	-	0.5019*	0.5136
Group 2	-	-	-	-
Institutional S income				
Group 1	0.4235	-	0.4235**	0.4331
Group 2	0.1049	0.3186	0.4235**	-

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.9540	-	0.9540*	0.9694
Group 2	0.4441	0.5099	0.9540*	0.9694
Institutional accumulation				
Group 1	1.2191	-	1.2191*	1.2155
Group 2	0.6391	0.5800	1.2191*	1.2155
Retail income				
Group 1	0.3787	-	0.3787**	0.3945
Group 2	0.2725	0.1062	0.3787**	0.3945
Institutional income				
Group 1	0.4454	-	0.4454**	0.4570
Group 2	0.1743	0.2711	0.4454**	0.4570
Standard Life income				
Group 1	0.4392	-	0.4392**	0.4447
Group 2	0.3915	0.0477	0.4392**	0.4447
Standard Life accumulation				
Group 1	0.7885	-	0.7885*	0.7698
Group 2	0.5074	0.2811	0.7885*	0.7698
Institutional regulated accumulation				
Group 1	1.2222	-	1.2222*	1.2091
Group 2	-	-	-	-
Standard Life B accumulation				
Group 1	0.8143	-	0.8143*	0.7953
Group 2	0.5690	0.2453	0.8143*	0.7953
Platform 1 accumulation				
Group 1	0.5030	-	0.5030*	0.5036
Group 2	0.2354	0.2676	0.5030*	0.5036
Platform 1 income				
Group 1	0.4057	-	0.4057**	0.4169
Group 2	0.2047	0.2010	0.4057**	0.4169
Institutional S accumulation				
Group 1	0.4981	-	0.4981*	0.4500
Group 2	-	-	-	-
Institutional S income				
Group 1	0.4107	-	0.4107**	0.3800
Group 2	0.1206	0.2901	0.4107**	-

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.9144	-	0.9144*	0.9284
Group 2	0.4603	0.4541	0.9144*	0.9284
Institutional accumulation				
Group 1	1.1926	-	1.1926*	1.1728
Group 2	0.6576	0.5350	1.1926*	1.1728
Retail income				
Group 1	0.3654	-	0.3654**	0.3755
Group 2	0.2219	0.1435	0.3654**	0.3755
Institutional income				
Group 1	0.4325	-	0.4325**	0.4373
Group 2	0.2037	0.2288	0.4325**	0.4373
Standard Life income				
Group 1	0.4297	-	0.4297**	0.4394
Group 2	0.0537	0.3760	0.4297**	0.4394
Standard Life accumulation				
Group 1	0.7773	-	0.7773*	0.7488
Group 2	0.3996	0.3777	0.7773*	0.7488
Institutional regulated accumulation				
Group 1	1.1999	-	1.1999*	1.1685
Group 2	-	-	-	-
Standard Life B accumulation				
Group 1	0.8033	-	0.8033*	0.7715
Group 2	0.0207	0.7826	0.8033*	-
Platform 1 accumulation				
Group 1	0.4910	-	0.4910*	0.4872
Group 2	0.2469	0.2441	0.4910*	0.4872
Platform 1 income				
Group 1	0.3942	-	0.3942**	0.3985
Group 2	0.2946	0.0996	0.3942**	0.3985
Institutional S accumulation				
Group 1	0.4883	-	0.4883*	0.4750
Group 2	-	-	-	-
Institutional S income				
Group 1	0.3996	-	0.3996**	0.4500
Group 2	0.1501	0.2495	0.3996**	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Japanese Growth Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in Japanese equities (company shares).

Performance Target: To achieve the return of the MSCI Japan Index plus 4% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA Japan Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated, or domiciled in Japan or companies that derive a significant proportion of their revenues or profits from Japanese operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the MSCI Japan Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the MSCI Japan Index.

Derivatives and Techniques

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Investors in the Fund may buy and sell shares on any dealing day (as defined in the Prospectus).

If you invest in income shares, income from investments in the Fund will be paid out to you. If you invest in accumulation shares, income will be added to the value of your shares.

Performance

Over the period under review, the Fund returned 2.9%. This compared to a return of 9.4% for our performance target (the MSCI Japan Index +4%).

Our holding in Nomura Research Institute made a significant positive contribution to relative performance. The business consultancy and technology solutions firm benefited from increased spending in Japan on information technology across the corporate spectrum. This resulted in robust profits growth and a rising share price. Taiyo Yuden was another key winner. This followed a rise in potential demand for its electronic components, which are used in 5G base stations. A position in Advantest also boosted the Fund's return. The manufacturer of testing equipment for semiconductors posted better-than-expected earnings. These were driven by the growing need for testing devices for 5G and advances in semiconductor design. Additional highlights included Sony and Bandai Namco.

By contrast, Fuji Oil Holdings underperformed due to lower-than-expected earnings. This was driven by falling productivity in chocolate production in the US and weaker sales in Brazil. Ryohin Keikaku suffered from weaker-than-expected earnings. Suzuki Motor underperformed on news of disappointing auto sales in India. We have since sold the stock. Yamaha also detracted from the Fund's return. Investors marked the shares lower on falling sales of musical instruments in China, which was made worse by renminbi weakness. A lack of exposure to Toyota Motor also weighed on the Fund's relative return.

Activity

We added sensors and measuring equipment manufacturer Keyence. We like how its global expansion is delivering stronger earnings. Another addition was Fast Retailing (owner of the Uniqlo clothing brand) for the boost that will come from its business expansion in Asia and the US. Additionally, the company is displaying an improved sense of responsibility towards the environment and society. We established a new position in electronics company Ibiden. We expect high demand for its products, which are used in server applications. This follows industry advances in semiconductor packaging technologies. We purchased mobile games company Square Enix. Its growth potential has increased, driven by its pipeline of promising games that have multi-platform appeal. We took a new position in Nippon Express following profitability improvement in its domestic logistics business. We also like the company's overseas growth potential through business and asset restructuring, helped by a change in its global sales strategy.

Sales included exiting Mitsubishi Corporation. We have concerns about the effect of falling commodity demand on coking coal pricing. We sold Kyowa Kirin because expected returns were reduced after its shares rose. We were worried that the company may take its publicly-listed subsidiaries private. We sold Suzuki Motor as we reduced our expectation for auto sales in India. Three factors drove our decision – lack of government support, higher auto insurance costs and stricter bank-loan criteria. We sold Daiwa House Industries because we were concerned about a lack of management awareness towards corporate governance and how it can damage brand value. We also exited Yamato Holdings given worries about its ability to balance parcel delivery demand and capacity expansion.

Outlook & strategy

The coronavirus has spread from China to multiple regions and has accelerated the shift to safer assets in global financial markets.

Although it is difficult to predict to what extent the virus will impact the economy, widespread contagion of the virus is expected to cause activities to stagnate and lead to cancelled events as governments issue decrees and requests, and as others use voluntary restraint. Consequently, economic growth in the short term will inevitably slowdown.

However, we believe the outbreak will be mitigated and have less of an impact on global economic growth. As the virus outbreak has become a major global concern, countries have planned measures to help those in difficulty. Also, major central banks have taken concerted action to support the economy through financial means. While markets may become volatile to reflect the ever-changing situation, we expect various measures to bring recovery in the longer term, and will seek to spot buying opportunities in the midst of the disruption.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	91.72	106.99	90.59
Return before operating charges*	5.37	(13.90)	17.71
Operating charges	(1.34)	(1.37)	(1.31)
Return after operating charges*	4.03	(15.27)	16.40
Distributions	(0.22)	(0.29)	(0.09)
Retained distributions on accumulation shares	0.22	0.29	0.09
Closing net asset value per share	95.75	91.72	106.99
 * after direct transaction costs of:	 0.09	 0.09	 0.08
Performance			
Return after charges	4.39%	(14.27%)	18.10%
Other information			
Closing net asset value (£'000)	6,733	4,963	6,027
Closing number of shares	7,031,655	5,410,669	5,632,797
Operating charges	1.33%	1.34%	1.34%
Direct transaction costs	0.09%	0.09%	0.09%
Prices			
Highest share price	107.5	112.6	111.7
Lowest share price	91.26	91.53	88.22

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	107.87	125.25	105.55
Return before operating charges*	6.24	(16.33)	20.68
Operating charges	(1.01)	(1.05)	(0.98)
Return after operating charges*	5.23	(17.38)	19.70
Distributions	(0.81)	(0.90)	(0.64)
Retained distributions on accumulation shares	0.81	0.90	0.64
Closing net asset value per share	113.10	107.87	125.25
 * after direct transaction costs of:	 0.10	 0.11	 0.10
Performance			
Return after charges	4.85%	(13.88%)	18.66%
Other information			
Closing net asset value (£'000)	42,265	105,462	153,258
Closing number of shares	37,368,488	97,763,773	122,365,074
Operating charges	0.87%	0.87%	0.87%
Direct transaction costs	0.09%	0.09%	0.09%
Prices			
Highest share price	127.0	132.2	130.7
Lowest share price	107.3	107.6	102.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	74.82	63.33
Return before operating charges*	0.45	12.48
Operating charges	(0.01)	(0.02)
Return after operating charges*	0.44	12.46
Distributions	–	(0.97)
Redemption value as at 14 June 2018	(75.26)	–
Closing net asset value per share	–	74.82
 * after direct transaction costs of:	 0.02	 0.06
Performance		
Return after charges	0.59%	19.67%
Other information		
Closing net asset value (£'000)	–	2
Closing number of shares	–	2,286
Operating charges	0.04%	0.04%
Direct transaction costs	0.09%	0.09%
Prices		
Highest share price	76.20	78.98
Lowest share price	69.27	61.78

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Standard Life income share class closed on 14 June 2018.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	70.52	81.27	67.98
Return before operating charges*	4.09	(10.66)	13.37
Operating charges	(0.09)	(0.09)	(0.08)
Return after operating charges*	4.00	(10.75)	13.29
Distributions	(1.12)	(1.18)	(0.97)
Retained distributions on accumulation shares	1.12	1.18	0.97
Closing net asset value per share	74.52	70.52	81.27
 * after direct transaction costs of:	 0.07	 0.07	 0.06
Performance			
Return after charges	5.67%	(13.23%)	19.55%
Other information			
Closing net asset value (£'000)	163,969	156,030	194,847
Closing number of shares	220,045,928	221,249,905	239,763,994
Operating charges	0.11%	0.12%	0.12%
Direct transaction costs	0.09%	0.09%	0.09%
Prices			
Highest share price	83.62	86.17	84.69
Lowest share price	70.20	70.30	66.31

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	98.35	114.25	96.33
Return before operating charges*	5.72	(14.89)	18.85
Operating charges	(0.99)	(1.01)	(0.93)
Return after operating charges*	4.73	(15.90)	17.92
Distributions	(0.68)	(0.76)	(0.46)
Retained distributions on accumulation shares	0.68	0.76	0.46
Closing net asset value per share	103.08	98.35	114.25
 * after direct transaction costs of:	 0.09	 0.10	 0.09
Performance			
Return after charges	4.81%	(13.92%)	18.60%
Other information			
Closing net asset value (£'000)	626	600	1,366
Closing number of shares	607,430	609,966	1,195,173
Operating charges	0.92%	0.92%	0.91%
Direct transaction costs	0.09%	0.09%	0.09%
Prices			
Highest share price	115.7	120.6	119.2
Lowest share price	97.87	98.11	93.86

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

JEG GBP Retail A Hedged ^A	2018 pence per share
Change in net assets per share	
Opening net asset value per share	62.30
Return before operating charges*	15.42
Operating charges	(0.72)
Return after operating charges*	14.70
Redemption value as at 14 December 2017	(77.00)
Closing net asset value per share	–
 * after direct transaction costs of:	 0.05
Performance	
Return after charges	23.60%
Other information	
Closing net asset value (£'000)	–
Closing number of shares	–
Operating charges	1.34%
Direct transaction costs	0.09%
Prices	
Highest share price	–
Lowest share price	–

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A JEG GBP Retail A Hedged share class closed on 14 December 2017.

JEG GBP Institutional A Hedged ^A	2018 pence per share
Change in net assets per share	
Opening net asset value per share	63.39
Return before operating charges*	16.11
Operating charges	(0.50)
Return after operating charges*	15.61
Distributions	–
Redemption value as at 14 December 2017	(79.00)
Closing net asset value per share	–
 * after direct transaction costs of:	 0.05
Performance	
Return after charges	24.63%
Other information	
Closing net asset value (£'000)	–
Closing number of shares	–
Operating charges	0.87%
Direct transaction costs	0.09%
Prices	
Highest share price	–
Lowest share price	–

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A JEG GBP Institutional A Hedged share class closed on 14 December 2017.

JEG GBP Retail Platform A Hedged ^A	2018 pence per share
Change in net assets per share	
Opening net asset value per share	64.72
Return before operating charges*	16.80
Operating charges	(0.52)
Return after operating charges*	16.28
Distributions	–
Redemption value as at 14 December 2017	(81.00)
Closing net asset value per share	–
 * after direct transaction costs of:	 0.05
Performance	
Return after charges	25.15%
Other information	
Closing net asset value (£'000)	–
Closing number of shares	–
Operating charges	0.92%
Direct transaction costs	0.09%
Prices	
Highest share price	–
Lowest share price	–

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A JEG GBP Retail Platform A Hedged share class closed on 14 December 2017.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Japanese Equities (96.96%)		208,768	97.74
Industrials (22.37%)		37,869	17.72
537,600	Amada	3,925	1.84
233,100	Fuji Electric	5,000	2.34
97,500	Giken	2,541	1.19
292,000	MISUMI	4,811	2.25
124,400	Nihon M&A Center	2,953	1.38
110,500	Nippon Express	4,130	1.93
274,200	Recruit	7,437	3.48
17,900	SMC	5,585	2.61
124,000	Tokyu	1,487	0.70
Consumer Staples (11.87%)		10,416	4.88
95,100	Asahi	2,860	1.34
128,900	Fuji Oil	2,339	1.10
78,000	Matsumotokiyoshi Holdings	1,996	0.93
127,300	Uni-Charm	3,221	1.51
Health Care (12.79%)		32,520	15.23
194,500	Asahi Intecc	3,642	1.71
168,500	Daiichi Sankyo	8,033	3.76
68,000	JCR Pharmaceuticals	4,728	2.21
464,300	Olympus	6,558	3.07
88,400	Shionogi	3,736	1.75
213,300	Takeda Pharmaceutical	5,823	2.73
Consumer discretionary (15.75%)		37,924	17.75
169,800	Aisin Seiki	4,295	2.01
113,100	Bandai Namco	4,395	2.06
10,300	Fast Retailing	3,917	1.83
144,700	Marui	2,210	1.03
389,500	Pan Pacific International	5,046	2.36
163,600	Ryohin Keikaku	1,750	0.82
227,800	Sony	10,909	5.11
140,700	Yamaha	5,402	2.53
Financials (6.45%)		11,951	5.60
385,100	Dai-ichi Life Insurance	4,117	1.93
2,034,300	Mitsubishi UFJ Financial	7,834	3.67
Real Estate (5.59%)		6,445	3.02
359,400	Mitsui Fudosan	6,445	3.02

Holding	Investment	Market value £'000	Percentage of total net assets
Information Technology (14.85%)		51,731	24.22
62,000	Advantest	2,203	1.03
154,700	Anritsu	1,989	0.93
21,200	Disco	3,362	1.57
74,800	GMO Payment Gateway	3,578	1.68
280,500	Hitachi	7,390	3.46
295,500	Ibiden	5,118	2.40
40,500	Keyence	10,100	4.73
208,700	Nomura Research Institute	3,561	1.67
548,500	NTT Data	5,136	2.40
57,800	ROHM Semiconductor	2,970	1.39
82,900	Sansan	3,006	1.41
151,600	Taiyo Yuden	3,318	1.55
Energy (0.73%)		-	-
Materials (1.34%)		6,532	3.06
74,500	Shin-Etsu Chemical	6,532	3.06
Communication Services (5.22%)		13,380	6.26
221,100	Softbank	8,022	3.75
138,000	Square Enix	4,352	2.04
41,800	Toho	1,006	0.47
Derivatives (0.00%)		-	-
Forward Currency Contracts (0.00%)		-	-
Buy GBP 3,524 Sell JPY 505,879 16/03/2020		-	-
Total investment assets		208,768	97.74
Net other assets		4,825	2.26
Total Net Assets		213,593	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities or approved derivatives within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	16,864	(47,097)
Revenue	4	4,927	5,945
Expenses	5	(1,035)	(1,456)
Interest payable and similar charges		(1)	(2)
Net revenue before taxation		3,891	4,487
Taxation	6	(488)	(583)
Net revenue after taxation		3,403	3,904
Total return before distributions		20,267	(43,193)
Distributions	7	(3,403)	(3,904)
Change in net assets attributable to shareholders from investment activities		16,864	(47,097)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	267,055	355,500
Amounts receivable on the issue of shares	53,087	7,092
Amounts payable on the cancellation of shares	(126,186)	(51,967)
	(73,099)	(44,875)
Dilution adjustment	(2)	22
Change in net assets attributable to shareholders from investment activities (see above)	16,864	(47,097)
Retained distribution on accumulation shares	2,775	3,505
Closing net assets attributable to shareholders	213,593	267,055

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		208,768	258,947
Current assets:			
Debtors	8	1,070	7,583
Cash and bank balances		4,952	7,958
		6,022	15,541
Total assets		214,790	274,488
Liabilities:			
Creditors	9	(1,197)	(7,433)
		(1,197)	(7,433)
Total liabilities		(1,197)	(7,433)
Net assets attributable to shareholders		213,593	267,055

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	16,628	(46,968)
Other gains/(losses)	258	(97)
Transaction charges	(22)	(32)
Net capital gains/(losses)	16,864	(47,097)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of derivatives during the year, or in the prior year.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	199,390	274,115	266,430	318,252
Trades in the year before transaction costs	199,390	274,115	266,430	318,252
Commissions				
Equities	99	137	(133)	(159)
Total commissions	99	137	(133)	(159)
Total transaction costs	99	137	(133)	(159)
Total net trades in the year after transaction costs	199,489	274,252	266,297	318,093

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.05	0.05	0.05

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.09	0.09

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.35% (2019: 0.20%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Overseas dividends	4,924	5,945
Bank interest	3	–
Total revenue	4,927	5,945

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	763	1,107
Dealing charge	–	1
Registration fees	211	256
	974	1,364
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	25	37
Safe custody fee	25	41
	50	78
Other:		
Professional fees	1	5
Audit fee	10	9
	11	14
Total expenses	1,035	1,456

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	488	583
Total current tax	488	583
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	3,891	4,487
Corporation tax at 20% (2019: 20%)	778	897
Effects of:		
Revenue not subject to taxation	(985)	(1,189)
Overseas taxes	488	583
Excess allowable expenses	207	292
Total tax charge for year (note 6a)	488	583

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,904,000 (2019: £1,697,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	2,775	3,505
Add: Income deducted on cancellation of shares	874	452
Deduct: Income received on issue of shares	(246)	(53)
Net distribution for the year	3,403	3,904

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	63	–
Sales awaiting settlement	883	7,237
Accrued revenue	124	346
Total debtors	1,070	7,583

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	140	1
Purchases awaiting settlement	988	7,316
Accrued expenses payable to ACD	51	81
Accrued expenses payable to the Depositary or associates of the Depositary	5	17
Other accrued expenses	13	18
Total creditors	1,197	7,433

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	5,410,669	49,228,410	(47,522,855)	(84,569)	7,031,655
Institutional accumulation	97,763,773	1,581,222	(61,976,507)	–	37,368,488
Standard Life accumulation	221,249,905	3,033,945	(4,237,922)	–	220,045,928
Platform 1 accumulation	609,966	214,440	(295,555)	78,579	607,430

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	208,768	–	–	258,947	–	–
Total investment assets	208,768	–	–	258,947	–	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £10,438,000 (2019: £12,947,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £10,614,000 (2019: £13,238,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Japanese Yen	212,288	264,760

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	1,447	(142)	1,305
Japanese Yen	3,505	208,783	212,288
2019			
Currency			
UK Sterling	2,406	(111)	2,295
Japanese Yen	5,552	259,208	264,760

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 113.10p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 131.50p. This represents an increase of 16.26% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.2224	-	0.2224*	0.2886
Group 2	-	0.2224	0.2224*	0.2886
Institutional accumulation				
Group 1	0.8058	-	0.8058*	0.9046
Group 2	0.0810	0.7248	0.8058*	0.9046
Standard Life accumulation				
Group 1	1.1152	-	1.1152*	1.1754
Group 2	0.4053	0.7099	1.1152*	1.1754
Platform 1 accumulation				
Group 1	0.6796	-	0.6796*	0.7627
Group 2	0.1397	0.5399	0.6796*	0.7627

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI Short Duration Credit Fund

Investment objective

To generate income and some growth over the short term (1 to 3 years) by investing in Sterling-denominated corporate bonds.

Performance Target: To achieve the return of the Bloomberg Barclays Sterling Corporate and Collateralised Index (Hedged to 2 year duration) plus 1% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 60% in Sterling denominated investment grade corporate bonds.
- The Fund may also invest in bonds issued anywhere in the world by governments and corporations, including sub-sovereigns, sub-investment grade, inflation-linked, convertible, asset backed and mortgage backed bonds. The Fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to identify bonds and derivatives based on analysis of global economic and market conditions (for example, interest rates and inflation) and analysis of a company's prospects and creditworthiness compared to that of the market.
- In seeking to achieve the Performance Target, the Bloomberg Barclays Sterling Corporate and Collateralised Index (Hedged to 2 year duration) is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 3%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the Bloomberg Barclays Sterling Corporate and Collateralised Index (Hedged to 2 year duration) over the longer term.

Please note: The Fund's ability to buy and sell bonds and the associated costs can be affected during periods of market stress which could include periods where interest rates move sharply.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with

the risk profile of the Fund (often referred to as "Efficient Portfolio Management").

- In particular, the Fund will use derivatives to reduce the Fund's exposure to interest rate risk to a level consistent with that of the Bloomberg Barclays Sterling Corporate and Collateralised Index (Hedged to 2 year duration).
- In addition the Fund may use derivative instruments to manage expected changes in inflation, currencies or credit worthiness of corporations or governments.
- The fund may also invest in other funds which may use derivatives extensively although these investments shall be in line with fund's overall risk profile.

Performance

Over the period under review, the Fund returned 5.1%. This compared to a return of 6.3% for our performance target (the Bloomberg Barclays Sterling Corporate and Collateralised Index (Hedged to 2-year duration) +1%).

The Fund underperformed mainly due to its necessarily short duration positioning, which was disadvantageous in a period very significant declines in developed market government bond yields. In terms of security selection, the Fund performed well. A positive contributor was the Fund's overweight in Tesco, which made significant progress in its turnaround strategy, resulting in a ratings upgrade in June. In addition, the Fund benefited from its exposure to a number of UK financials including Virgin Money and Barclays. These issuers all got a boost firstly from the elimination of the risk of a 'no-deal' Brexit scenario and later from the election of a perceived more market-friendly Conservative government in December.

On the negative side, exposure to funeral services provider Dignity was detrimental. The firm continues to face headwinds on the back of poor results, coupled with increasing competition. Additionally, the Fund's overweight position in Intu Metrocentre was detrimental as the name suffered in line with other issuers in the property sector.

Investment activity

Towards the end of the review period, the Fund bought the new senior non-preferred bonds of Deutsche Bank, whose turnaround story was continuing to take shape, along with relative attractive valuations compared to many of its peers. In a more defensive-minded move, we bought the short-dated new issue bonds of First Abu Dhabi Bank. In the secondary market, we bought the high yield debt of the UK energy company Centrica and the subordinated debt of the Spanish state-owned bank Bankia.

On the sell side, towards the end of the period, we took some profits on our holdings in the German pharmaceutical company Bayer, the Danish state-owned wind energy company Orsted (which used to be called Dong Energy) and Bank of America. We also took some profits in the UK housing associations Peabody and Bromford Housing.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 3 because of the extent to which the following risk factors apply:

- The Fund invests in mortgage- and asset-backed securities which are subject to prepayment, extension, liquidity and default risk.
- Convertible securities are investments that can be changed into another form upon certain triggers. As such, they can exhibit credit, equity and fixed interest risk. Contingent convertible securities (CoCos) are similar to convertible securities but have additional triggers which mean that they are more vulnerable to losses and volatile price movements and hence become less liquid. For example, a coco bond can lose some or all of its value instantaneously if a trigger, such as the issuer experiencing capital shortfalls, occurs.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	88.33	88.32	86.39
Return before operating charges*	5.25	0.92	2.84
Operating charges	(0.95)	(0.91)	(0.91)
Return after operating charges*	4.30	0.01	1.93
Distributions	(1.54)	(1.41)	(1.13)
Retained distributions on accumulation shares	1.54	1.41	1.13
Closing net asset value per share	92.63	88.33	88.32
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.87%	0.02%	2.24%
Other information			
Closing net asset value (£'000)	10,769	12,113	12,128
Closing number of shares	11,625,001	13,712,282	13,732,668
Operating charges	1.04%	1.03%	1.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	93.75	88.61	89.34
Lowest share price	88.66	86.71	86.71

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	93.66	93.26	90.84
Return before operating charges*	5.57	0.97	2.99
Operating charges	(0.60)	(0.57)	(0.57)
Return after operating charges*	4.97	0.40	2.42
Distributions	(2.01)	(1.88)	(1.58)
Retained distributions on accumulation shares	2.01	1.88	1.58
Closing net asset value per share	98.63	93.66	93.26
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.31%	0.43%	2.67%
Other information			
Closing net asset value (£'000)	15,153	142,809	153,601
Closing number of shares	15,362,975	152,470,584	164,704,343
Operating charges	0.62%	0.61%	0.61%
Direct transaction costs	–	–	–
Prices			
Highest share price	99.84	93.93	94.30
Lowest share price	94.02	91.89	91.18

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	53.20	54.05	53.55
Return before operating charges*	3.15	0.56	1.76
Operating charges	(0.57)	(0.55)	(0.56)
Return after operating charges*	2.58	0.01	1.20
Distributions	(0.92)	(0.86)	(0.70)
Closing net asset value per share	54.86	53.20	54.05
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	4.85%	0.02%	2.24%
Other information			
Closing net asset value (£'000)	3,139	3,973	4,534
Closing number of shares	5,721,585	7,466,503	8,388,567
Operating charges	1.04%	1.03%	1.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	55.76	54.23	54.83
Lowest share price	53.41	52.45	53.75

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	53.14	53.99	53.47
Return before operating charges*	3.14	0.56	1.77
Operating charges	(0.34)	(0.33)	(0.33)
Return after operating charges*	2.80	0.23	1.44
Distributions	(1.15)	(1.08)	(0.92)
Closing net asset value per share	54.79	53.14	53.99
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.27%	0.43%	2.69%
Other information			
Closing net asset value (£'000)	8,906	17,915	18,628
Closing number of shares	16,254,024	33,715,927	34,504,839
Operating charges	0.62%	0.61%	0.61%
Direct transaction costs	–	–	–
Prices			
Highest share price	55.74	54.20	54.80
Lowest share price	53.34	52.40	53.67

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	31.12	31.65	31.37
Return before operating charges*	1.82	0.28	0.99
Operating charges	(0.01)	(0.01)	(0.01)
Return after operating charges*	1.81	0.27	0.98
Distributions	(0.91)	(0.80)	(0.70)
Closing net asset value per share	32.02	31.12	31.65
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.82%	0.85%	3.12%
Other information			
Closing net asset value (£'000)	1	– [^]	1
Closing number of shares	3,149	319	2,000
Operating charges	0.04%	0.03%	0.03%
Direct transaction costs	–	–	–
Prices			
Highest share price	32.62	31.81	32.14
Lowest share price	31.22	30.76	31.49

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £99.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	95.71	94.83	91.88
Return before operating charges*	5.70	0.99	3.05
Operating charges	(0.12)	(0.11)	(0.10)
Return after operating charges*	5.58	0.88	2.95
Distributions	(2.59)	(2.39)	(2.07)
Retained distributions on accumulation shares	2.59	2.39	2.07
Closing net asset value per share	101.29	95.71	94.83
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.83%	0.93%	3.21%
Other information			
Closing net asset value (£'000)	63	55	227
Closing number of shares	62,330	57,957	239,295
Operating charges	0.12%	0.11%	0.11%
Direct transaction costs	–	–	–
Prices			
Highest share price	102.5	95.98	95.85
Lowest share price	96.07	93.82	92.23

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	64.39	64.14	62.51
Return before operating charges*	3.83	0.67	2.05
Operating charges	(0.45)	(0.42)	(0.42)
Return after operating charges*	3.38	0.25	1.63
Distributions	(1.37)	(1.26)	(1.05)
Retained distributions on accumulation shares	1.37	1.26	1.05
Closing net asset value per share	67.77	64.39	64.14
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	5.25%	0.39%	2.60%
Other information			
Closing net asset value (£'000)	21,351	31,856	22,960
Closing number of shares	31,503,882	49,474,476	35,796,026
Operating charges	0.67%	0.66%	0.66%
Direct transaction costs	–	–	–
Prices			
Highest share price	68.60	64.57	64.86
Lowest share price	64.63	63.18	62.74

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	54.90	55.78	55.26
Return before operating charges*	3.25	0.58	1.81
Operating charges	(0.38)	(0.37)	(0.37)
Return after operating charges*	2.87	0.21	1.44
Distributions	(1.16)	(1.09)	(0.92)
Closing net asset value per share	56.61	54.90	55.78
 * after direct transaction costs of:	 –		
Performance			
Return after charges	5.23%	0.38%	2.61%
Other information			
Closing net asset value (£'000)	12,039	10,657	11,034
Closing number of shares	21,266,423	19,410,528	19,780,460
Operating charges	0.67%	0.66%	0.66%
Direct transaction costs	–	–	–
Prices			
Highest share price	57.59	55.99	56.61
Lowest share price	55.11	54.14	55.47

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (89.92%)		64,402	90.17
Euro Denominated Bonds (4.28%)		2,311	3.23
Corporate Bonds (4.28%)		2,311	3.23
less than 5 years to maturity			
270,000	Teva Pharmaceutical 0.375% 2020	140	0.20
between 5 and 10 years to maturity			
375,000	IQVIA 3.25% 2025	325	0.46
greater than 25 years to maturity			
280,000	AXA 3.25% 2049	273	0.38
300,000	Channel Link Enterprises Finance 1.761% fixed to floating 2050	261	0.36
Perpetual			
400,000	Aareal Bank 7.625% fixed to floating Perpetual	346	0.48
400,000	Banco Santander 5.25% fixed to floating Perpetual	359	0.50
400,000	Bankia 6.375% fixed to floating Perpetual	367	0.51
280,000	Danske Bank 7.5% fixed to floating Perpetual	240	0.34
Sterling Denominated Bonds (84.32%)		61,749	86.46
Corporate Bonds (84.32%)		61,749	86.46
less than 5 years to maturity			
150,000	AA Bond 2.75% 2023	146	0.20
68,000	AA Bond 2.875% 2022	68	0.10
300,000	AIG 5% 2023	335	0.47
200,000	Anheuser-Busch InBev 9.75% 2024	273	0.38
409,000	APT Pipelines 4.25% 2024	462	0.65
190,000	Arqiva 6.75% 2023	200	0.28
300,000	Banco Santander 1.375% 2024	299	0.42
300,000	Banco Santander 2.75% 2023	313	0.44
200,000	Bank of America 6.125% 2021	215	0.30
300,000	Banque Federative du Credit Mutuel 1.375% 2021	302	0.42
300,000	Banque Federative du Credit Mutuel 1.75% 2024	306	0.43
300,000	Banque Federative du Credit Mutuel 2.25% 2023	311	0.44
270,000	Barclays 2.375% 2023	275	0.38
330,000	Barclays 3.125% 2024	347	0.49
170,000	Barclays 9.5% 2021	189	0.27
230,000	Barclays 10% 2021	253	0.35
150,000	BMW 0.875% 2022	149	0.21
362,000	BMW 1.875% 2023	371	0.52
170,000	BUPA 2% 2024	176	0.25

Holding	Investment	Market value £'000	Percentage of total net assets
129,000	Citigroup 2.75% 2024	136	0.19
190,000	Citigroup 5.875% 2024	223	0.31
400,000	Cooperatieve Rabobank 1.25% 2025	398	0.56
190,000	Co-Operative Bank 4.75% 2021	199	0.28
329,000	Coventry Building Society 1.5% 2023	332	0.47
300,000	Credit Agricole 1.25% 2024	300	0.42
250,000	Credit Agricole 7.375% 2023	304	0.43
192,000	Credit Suisse 3% 2022	199	0.28
250,000	Daimler 2.375% 2021	255	0.36
500,000	Deutsche Bank 1.75% 2021	501	0.70
400,000	Deutsche Bank 2.625% 2024	406	0.57
400,000	Deutsche Pfandbriefbank 1.75% 2022	403	0.56
174,000	Enel 5.625% 2024	206	0.29
191,000	Euroclear Bank 1.25% 2024	191	0.27
257,000	First Abu Dhabi Bank 1.375% 2023	258	0.36
210,000	First Hydro 9% 2021	232	0.33
280,000	FirstGroup 6.875% 2024	331	0.46
366,000	Friends Life 8.25% 2022	419	0.59
230,000	GE Capital 5.125% 2023	255	0.36
300,000	GE Capital 5.875% 2020	309	0.43
300,000	Global Switch 4.375% 2022	325	0.45
360,000	Go-Ahead 2.5% 2024	367	0.51
190,000	Heathrow Funding 7.125% 2024	229	0.32
400,000	HSBC 2.175% 2023	406	0.57
200,000	Iberdrola 6% 2022	223	0.31
480,000	Intu (SGS) Finance 4.125% 2023	430	0.60
234,000	John Lewis 6.125% 2025	265	0.37
290,000	Lend Lease Europe 6.125% 2021	310	0.43
460,000	Lloyds Bank 1.75% 2022	469	0.66
150,000	Lloyds Bank 9.625% 2023	185	0.26
274,000	Lloyds Bank Corporate Markets 1.75% 2024	277	0.39
140,000	London Power Networks 5.125% 2023	157	0.22
210,000	Marks & Spencer 6.125% 2021	227	0.32
210,000	MetLife Global Funding I 2.625% 2022	219	0.31
209,000	MPT Operating Partnership 2.55% 2023	214	0.30
152,000	Petróleos Mexicanos 8.25% 2022	173	0.24
318,000	RSA Insurance 1.625% 2024	322	0.45
260,000	Scania 1.875% 2022	262	0.37
99,000	Severn Trent 6.125% 2024	117	0.16
160,000	Southern Gas Networks 4.875% 2023	182	0.26
390,000	Swedbank 1.25% 2021	391	0.55
250,000	Thames Water 2.375% 2023	254	0.36

Holding	Investment	Market value £'000	Percentage of total net assets
300,000	Volkswagen Financial Services 1.625% 2022	301	0.42
200,000	Volkswagen Financial Services 1.875% 2021	202	0.28
300,000	Volkswagen Financial Services 1.875% 2024	301	0.42
380,000	Western Power 3.625% 2023	406	0.57
250,000	Western Power 5.25% 2023	279	0.39
270,000	Westpac Banking 2.625% 2022	282	0.40
between 5 and 10 years to maturity			
300,000	Abertis Infraestructuras 3.375% 2026	319	0.45
410,000	ABP 6.25% 2026	512	0.72
240,000	Anglian Water 2.625% 2027	246	0.34
460,000	Anheuser-Busch InBev 2.25% 2029	478	0.67
170,000	Annington Funding 3.184% 2029	184	0.26
351,000	Aroundtown 3.25% 2027	381	0.53
325,000	Assura Financing 3% 2028	360	0.50
300,000	AT&T 4.375% 2029	355	0.50
550,000	AT&T 5.5% 2027	680	0.95
250,000	Bank of America 2.3% 2025	260	0.36
200,000	Bank of America 7% 2028	282	0.40
190,000	Barclays 3.25% 2027	202	0.28
200,000	Bazalgette Finance 2.375% 2027	216	0.30
240,000	British American Tobacco 2.125% 2025	243	0.34
285,000	Citigroup 1.75% 2026	287	0.40
190,000	Citigroup 5.15% 2026	230	0.32
200,000	CK Hutchison 2% 2027	200	0.28
300,000	Clydesdale Bank 4.625% 2026	367	0.51
239,000	CPUK 3.588% 2025	259	0.36
389,000	Credit Suisse 2.125% fixed to floating 2025	396	0.55
190,000	CRH 4.125% 2029	228	0.32
320,000	Deutsche Telekom 2.5% 2025	339	0.48
510,000	Digital Stout 3.3% 2029	560	0.78
136,000	Fidelity National Information Services 2.602% 2025	144	0.20
225,000	GlaxoSmithKline 3.375% 2027	260	0.36
131,000	Hammerson 3.5% 2025	137	0.19
60,000	Hammerson 6% fixed to floating 2026	71	0.10
110,000	Hammerson 7.25% 2028	144	0.20
457,000	Heathrow Funding 6.75% 2026	604	0.85
183,000	HSBC 2.256% 2026	187	0.26
300,000	HSBC 2.625% 2028	317	0.44
100,000	HSBC 6.75% 2028	133	0.19
270,000	Imperial Brands 5.5% 2026	324	0.45
310,000	Integrated Accommodation Services 6.48% 2029	215	0.30
105,000	Lloyds Bank 5.75% fixed to floating 2025	107	0.15

Holding	Investment	Market value £'000	Percentage of total net assets
130,000	Lloyds Bank 7.625% 2025	166	0.23
330,000	London & Quadrant Housing Trust 2.25% 2029	345	0.48
720,000	Mitchells & Butlers 5.965% 2025	174	0.24
190,000	MPT Operating Partnership 3.692% 2028	202	0.28
123,000	Newday Funding 2018 FRN 2026	123	0.17
168,000	NewRiver REIT 3.5% 2028	172	0.24
130,000	Northern Powergrid Yorkshire 2.5% 2025	138	0.19
210,000	Northumbrian Water 1.625% 2026	212	0.30
336,000	Notting Hill Genesis 2.875% 2029	365	0.51
183,000	Orange 5.25% 2025	223	0.31
294,000	Quadgas Finance 3.375% 2029	317	0.44
140,000	Rabobank 4.625% 2029	169	0.24
392,000	Royal Bank of Scotland 2.875% 2026	409	0.57
198,000	Santander UK 5.75% 2026	254	0.36
270,000	Santander UK Group 3.625% 2026	295	0.41
128,000	South Eastern Power Networks 5.5% 2026	158	0.22
270,000	Stagecoach Group 4% 2025	291	0.41
270,000	Telefonica Emisiones 5.375% 2026	326	0.46
713,000	Thames Water 3.5% 2028	802	1.12
230,000	Thames Water 4% 2025	259	0.36
230,000	Unite (USAF) II 3.921% 2025	257	0.36
275,000	Unite Group 3.5% 2028	306	0.43
230,000	United Utilities 5.625% 2027	304	0.43
130,000	Vicinity Centres 3.375% 2026	141	0.20
684,000	Virgin Money UK 7.875% fixed to floating 2028	783	1.10
400,000	Volkswagen International Finance 3.375% 2026	433	0.61
380,000	Wells Fargo 2% 2025	390	0.55
320,000	Welltower 4.8% 2028	388	0.54
290,000	Westfield Stratford City Finance 1.642% 2026	299	0.42
180,000	Yorkshire Building Society 3.375% 2028	188	0.26
between 10 and 15 years to maturity			
150,000	Anglian Water 6.293% 2030	216	0.30
180,000	Annington Funding 3.685% 2034	206	0.29
380,000	Barclays 3.25% 2033	401	0.56
170,000	British American Tobacco 6% 2034	228	0.32
250,000	Centrica 7% 2033	381	0.53
420,000	E.ON Finance 6.375% 2032	615	0.86
230,000	Eversholt 6.697% 2035	306	0.43
254,000	Fidelity National Information Services 3.36% 2031	287	0.40
152,000	Gatwick 4.625% 2034	195	0.27
150,000	Great Rolling Stock 6.5% 2031	164	0.23
770,000	Greene King FRN 2033	560	0.78

Holding	Investment	Market value £'000	Percentage of total net assets
280,000	HSBC 3% fixed to floating 2030	300	0.42
230,000	HSBC 5.375% 2033	302	0.42
182,000	HSBC Bank 5.375% fixed to floating 2030	214	0.30
305,000	Innogy Finance 6.25% 2030	427	0.60
190,000	London & Quadrant Housing Trust 4.625% 2033	253	0.35
300,000	Meadowhall Finance 4.986% 2032	260	0.36
200,000	Orange 3.25% 2032	226	0.32
189,000	Pension Insurance 5.625% 2030	215	0.30
115,000	Telereal 4.0902% fixed to floating 2033	119	0.17
210,000	Telereal FRN 2033	208	0.29
240,000	Telereal Secured 4.01% 2033	194	0.27
137,000	Thames Water 5.75% fixed to floating 2030	149	0.21
337,000	Verizon Communications 1.875% 2030	338	0.47
333,000	Western Power 1.75% 2031	332	0.48
195,000	Western Power 5.75% 2032	274	0.38
between 15 and 25 years to maturity			
260,000	America Movil 4.375% 2041	350	0.49
554,000	Arqiva 4.04% 2035	558	0.78
272,000	Aspire Defence 4.674% 2040 'B'	329	0.46
420,000	AT&T 4.875% 2044	536	0.75
400,000	Aviva 6.625% fixed to floating 2041	425	0.59
340,000	British American Tobacco 5.75% 2040	457	0.64
140,000	British Telecom 6.375% 2037	208	0.29
460,000	Broadgate Financing 5.098% 2035	570	0.80
190,000	Cadent Finance 2.625% 2038	200	0.28
184,000	Citigroup 7.375% 2039	333	0.47
475,000	Direct Line 9.25% fixed to floating 2042	551	0.77
90,000	Enel 5.75% 2037	129	0.18
230,000	Enel 5.75% 2040	337	0.47
230,000	Eversholt 3.529% 2042	256	0.36
46,000	GE Capital 6.25% 2038	68	0.10
150,000	Great Rolling Stock 6.875% 2035	139	0.20
340,000	HSBC 6% 2040	468	0.65
200,000	Innogy Finance 6.125% 2039	316	0.44
110,000	Marston's FRN 2035	92	0.13
200,000	Munich Re 6.625% fixed to floating 2042	223	0.31
380,000	QBE Insurance 6.115% fixed to floating 2042	414	0.58
190,000	RL Finance 6.125% fixed to floating 2043	214	0.30
446,000	RMPA Services 5.337% 2038	452	0.63
382,000	Scottish Hydro 2.25% 2035	396	0.55
420,000	Tesco 5.744% 2040	537	0.75

Holding	Investment	Market value £'000	Percentage of total net assets
370,000	Tesco 5.8006% 2040	484	0.68
210,000	Wheatley 4.375% 2044	292	0.41
greater than 25 years to maturity			
121,000	AA Bond 5.5% 2050	124	0.17
250,000	Aviva 5.125% fixed to floating 2050	285	0.40
100,000	AXA 5.625% 2054	121	0.17
270,000	Blend Funding 3.459% 2047	341	0.48
311,000	Dignity 4.6956% 2049	269	0.38
247,000	Legal & General 3.75% fixed to floating 2049	249	0.35
252,000	NGG 5.625% fixed to floating 2073	286	0.40
368,000	Paragon FRN 2050	332	0.47
220,000	Penarian Housing Finance 3.212% 2052	254	0.36
250,000	Prudential 5% fixed to floating 2055	277	0.39
164,000	Prudential 5.625% fixed to floating 2051	187	0.26
196,000	RL Finance 4.875% fixed to floating 2049	197	0.28
400,000	RMAC FRN 2046	322	0.45
230,000	Sanctuary Capital 5% 2047	375	0.52
140,000	SSE 3.625% 2077	145	0.20
290,000	Tolkien Funding Sukuk FRN 2052	210	0.29
277,000	Vodafone 3.375% 2049	298	0.42
Perpetual			
380,000	Aviva 5.9021% fixed to floating Perpetual	383	0.54
190,000	Aviva 6.125% fixed to floating Perpetual	206	0.29
221,000	AXA 6.6862% fixed to floating Perpetual	266	0.37
160,000	Credit Agricole 7.5% fixed to floating Perpetual	187	0.26
270,000	CYBG 8% fixed to floating Perpetual	284	0.40
300,000	EDF 5.875% fixed to floating Perpetual	337	0.47
200,000	HSBC 5.875% fixed to floating Perpetual	216	0.30
200,000	Lloyds Banking Group 7.625% fixed to floating Perpetual	217	0.30
233,000	Orange 5.75% fixed to floating Perpetual	257	0.36
300,000	Pennon 2.875% fixed to floating Perpetual	300	0.42
380,000	SSE 3.875% fixed to floating Perpetual	382	0.55
US Dollar Denominated Bonds (1.32%)		342	0.48
Corporate Bonds (1.32%)		342	0.48
less than 5 years to maturity			
160,000	Bausch Health 6.5% 2022	127	0.18
between 5 and 10 years to maturity			
270,000	SPCM 4.875% 2025	215	0.30
Collective Investment Schemes (5.15%)		4,542	6.36
342,618	SLI Total Return Credit SICAV+	4,542	6.36

Holding	Investment	Market value £'000	Percentage of total net assets
Derivatives (-2.01%)		(4,050)	(5.67)
Credit Default Swaps (-0.29%)		(183)	(0.26)
EUR 6,000,000	Buy iTraxx Europe Series 32 20/12/2024 0%	(498)	(0.70)
EUR 3,500,000	Sell iTraxx Europe Series 32 20/12/2024 5%	290	0.41
EUR 300,000	Sell iTraxx Europe Series 32 20/12/2024 5%	25	0.03
Forward Currency Contracts (0.21%)		(82)	(0.11)
	Buy EUR 207,812 Sell GBP 174,711 27/05/2020	5	0.01
	Buy EUR 600,000 Sell GBP 503,739 27/05/2020	14	0.02
	Buy GBP 3,005,396 Sell EUR 3,595,655 27/05/2020	(96)	(0.13)
	Buy GBP 351,212 Sell USD 455,813 27/05/2020	(5)	(0.01)
	Buy USD 4,731 Sell GBP 3,664 27/05/2020	-	-
Interest Rate Swaps (-1.93%)		(3,785)	(5.30)
GBP 2,400,000	Pay fixed 0.943% receive floating GBP-LIBOR 06/06/2021	(11)	(0.01)
GBP 7,200,000	Pay fixed 1.022% receive floating GBP-LIBOR 14/06/2027	(220)	(0.31)
GBP 5,250,000	Pay fixed 1.2775% receive floating GBP-LIBOR 25/03/2020	(11)	(0.02)
GBP 3,600,000	Pay fixed 1.335% receive floating GBP-LIBOR 06/06/2026	(170)	(0.24)
GBP 7,000,000	Pay fixed 1.3532% receive floating GBP-LIBOR 08/02/2029	(448)	(0.63)
GBP 5,000,000	Pay fixed 1.3742% receive floating GBP-LIBOR 10/11/2027	(299)	(0.42)
GBP 1,750,000	Pay fixed 1.4075% receive floating GBP-LIBOR 03/04/2042	(252)	(0.35)
GBP 800,000	Pay fixed 1.595% receive floating GBP-LIBOR 25/03/2025	(43)	(0.06)
GBP 8,300,000	Pay fixed 1.608% receive floating GBP-LIBOR 28/08/2020	(38)	(0.05)
GBP 1,100,000	Pay fixed 1.906% receive floating GBP-LIBOR 18/02/2025	(72)	(0.10)
GBP 3,200,000	Pay fixed 2.68875% receive floating GBP-LIBOR 05/08/2024	(300)	(0.42)
GBP 7,050,000	Pay fixed 2.78% receive floating GBP-LIBOR 30/01/2024	(617)	(0.86)
GBP 2,300,000	Pay fixed 3.253% receive floating GBP-LIBOR 30/01/2034	(787)	(1.10)
GBP 1,500,000	Pay fixed 3.31% receive floating GBP-LIBOR 30/01/2044	(858)	(1.20)
GBP 600,000	Pay fixed 3.365% receive floating GBP-LIBOR 09/01/2034	(214)	(0.30)
GBP 2,000,000	Pay floating GBP-LIBOR receive fixed 0.5490% 24/01/2030	24	0.03
GBP 4,400,000	Pay floating GBP-LIBOR receive fixed 1.022% 14/06/2027	134	0.19
GBP 3,400,000	Pay floating GBP-LIBOR receive fixed 1.3532% 08/02/2029	218	0.30
GBP 3,000,000	Pay floating GBP-LIBOR receive fixed 1.3742% 10/11/2027	179	0.25
Total investment assets and liabilities		64,894	90.86
Net other assets		6,527	9.14
Total Net Assets		71,421	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

		2020	2019
	Notes	£'000	£'000
Income:			
Net capital gains/(losses)	2	7,809	(3,745)
Revenue	4	6,200	7,519
Expenses	5	(1,270)	(1,492)
Interest payable and similar charges	6	(900)	(1,437)
Net revenue before taxation		4,030	4,590
Taxation	7	-	-
Net revenue after taxation		4,030	4,590
Total return before distributions		11,839	845
Distributions	8	(4,030)	(4,590)
Change in net assets attributable to shareholders from investment activities		7,809	(3,745)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020	2019
	£'000	£'000
Opening net assets attributable to shareholders	219,378	223,113
Amounts receivable on the issue of shares	16,587	38,831
Amounts payable on the cancellation of shares	(175,464)	(42,847)
	(158,877)	(4,016)
Dilution adjustment	57	114
Change in net assets attributable to shareholders from investment activities (see above)	7,809	(3,745)
Retained distribution on accumulation shares	3,053	3,911
Unclaimed distributions	1	1
Closing net assets attributable to shareholders	71,421	219,378

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		69,833	210,038
Current assets:			
Debtors	9	1,161	4,101
Cash and bank balances	10	5,970	11,543
		7,131	15,644
Total assets		76,964	225,682
Liabilities:			
Investment liabilities		(4,939)	(5,886)
Creditors	11	(375)	(257)
Bank overdrafts	10	(109)	–
Distribution payable		(120)	(161)
		(604)	(418)
Total liabilities		(5,543)	(6,304)
Net assets attributable to shareholders		71,421	219,378

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	12,349	(3,751)
Derivative contracts	(4,497)	(145)
Forward currency contracts	(56)	150
Other gains	27	11
Transaction charges	(14)	(10)
Net capital gains/(losses)	7,809	(3,745)

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	38,619	64,177	56,608	63,392
Collective investment schemes	–	65,130	7,838	69,719
In-specie	–	–	125,276	–
Trades in the year before transaction costs	38,619	129,307	189,722	133,111
Total net trades in the year after transaction costs	38,619	129,307	189,722	133,111

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.61% (2019: 0.60%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Taxable distributions on offshore funds	–	13
Interest distributions	498	431
Interest on debt securities	5,636	7,021
Bank interest	66	54
Total revenue	6,200	7,519

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,055	1,239
Dealing charge	18	18
Registration fees	144	172
	1,217	1,429
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	28	33
Safe custody fee	11	18
	39	51
Other:		
Professional fees	1	–
Audit fee	13	12
	14	12
Total expenses	1,270	1,492

6 Interest Payable and Similar Charges

	2020 £'000	2019 £'000
Interest payable	2	1
Derivative expense	898	1,436
Total interest payable & similar charges	900	1,437

7 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	4,030	4,590
Corporation tax at 20% (2019: 20%)	806	918
Effects of:		
Distributions treated as tax deductible	(806)	(918)
Total tax charge for year (note 7a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

8 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	953	958
Second interim distribution	1,407	1,457
Third interim distribution	846	1,032
Final distribution	346	1,096
	3,552	4,543
Add: Income deducted on cancellation of shares	513	147
Deduct: Income received on issue of shares	(35)	(100)
Net distribution for the year	4,030	4,590

Details of the distribution per share are set out in this Fund's distribution tables.

9 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	161	190
Sales awaiting settlement	–	451
Accrued revenue	1,000	3,460
Total debtors	1,161	4,101

10 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	4,738	7,072
Cash and bank balances	1,232	4,471
	5,970	11,543
Collateral cash	(109)	–
Total cash and bank balances	5,861	11,543

11 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	312	123
Accrued expenses payable to ACD	39	109
Accrued expenses payable to the Depositary or associates of the Depositary	7	12
Other accrued expenses	17	13
Total creditors	375	257

12 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 9 and 11.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 11.

13 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	13,712,282	935,917	(2,908,673)	(114,525)	11,625,001
Institutional accumulation	152,470,584	11,001,883	(148,125,512)	16,020	15,362,975
Retail income	7,466,503	246,518	(1,959,171)	(32,265)	5,721,585
Institutional income	33,715,927	1,345,332	(18,807,235)	–	16,254,024
Standard Life income	319	2,830	–	–	3,149
Standard Life accumulation	57,957	14,334	(9,961)	–	62,330
Platform 1 accumulation	49,474,476	4,268,332	(22,372,318)	133,392	31,503,882
Platform 1 income	19,410,528	2,900,383	(1,075,749)	31,261	21,266,423

14 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	–	64,402	–	–	197,259	–
Collective Investment Schemes	–	4,542	–	–	11,302	–
Derivatives	–	889	–	–	1,477	–
Total investment assets	–	69,833	–	–	210,038	–
Derivatives	–	(4,939)	–	–	(5,886)	–
Total investment liabilities	–	(4,939)	–	–	(5,886)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

15 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	0.99%	1.04%	1.01%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	0.97%	1.25%	1.11%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 1.02%, £662,000 (2019: 1.01%, £2,217,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Euro	13	(649)
US Dollar	(2)	545

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	12,165	51,378	7,867	71,410
Euro	1,633	738	(2,358)	13
US Dollar	–	342	(344)	(2)
2019				
Currency				
UK Sterling	55,193	147,881	16,408	219,482
Euro	5,085	4,302	(10,036)	(649)
US Dollar	1,563	1,840	(2,858)	545

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	60,051	174,386
Below Investment Grade Bonds	3,554	18,447
Unrated Bonds	797	4,426
Total Value of Bonds	64,402	197,259

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management or to meet the Fund's investment objectives. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

Market Exposure	2020 £'000	2019 £'000
Credit Default Swaps	8,428	5,913
Forward Currency Contracts	4,158	21,088
Interest Rate Swaps	69,850	139,260
Total Market Exposure	82,436	166,261

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

Exposure is reduced by the exchange of margin on a daily basis for cleared derivatives and by the collateral held/pledged on a bilateral transaction.

Counterparty or clearer	2020			2019		
	Collateral (held)/pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000
Bank of America Merrill Lynch	-	-	14	-	-	-
Barclays	-	-	-	190	-	(230)
Citigroup	80	-	297	80	-	(65)
Deutsche Bank	-	-	(207)	590	-	(538)
Goldman Sachs	-	1,600	(448)	-	2,118	99
HSBC	-	-	(299)	190	-	(140)
Lloyds Bank	(114)	-	-	-	-	-
Morgan Stanley	330	-	(330)	690	-	(614)
NatWest Markets	-	-	(5)	-	-	(7)
Nomura	-	-	-	-	-	(37)
Societe Generale	-	-	-	-	-	(65)
Standard Chartered	-	-	(96)	-	-	-
StateStreet	-	-	4	(530)	-	574
UBS	2,690	-	(2,980)	3,770	-	(3,386)
Total	2,986	1,600	(4,050)	4,980	2,118	(4,409)

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

16 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 54.86p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 54.03p. This represents a decrease of 1.51% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.3317	-	0.3317*	0.2771
Group 2	0.2221	0.1096	0.3317*	0.2771
Institutional accumulation				
Group 1	0.4519	-	0.4519*	0.3916
Group 2	0.2614	0.1905	0.4519*	0.3916
Retail income				
Group 1	0.1997	-	0.1997**	0.1696
Group 2	0.1506	0.0491	0.1997**	0.1696
Institutional income				
Group 1	0.2564	-	0.2564**	0.2267
Group 2	0.1870	0.0694	0.2564**	0.2267
Standard Life income				
Group 1	0.2165	-	0.2165**	0.1835
Group 2	0.2165	-	0.2165**	0.1835
Standard Life accumulation				
Group 1	0.5842	-	0.5842*	0.5181
Group 2	-	-	-	0.5181
Platform 1 accumulation				
Group 1	0.3025	-	0.3025*	0.2612
Group 2	0.1785	0.1240	0.3025*	0.2612
Platform 1 income				
Group 1	0.2579	-	0.2579**	0.2272
Group 2	0.1410	0.1169	0.2579**	0.2272

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.5345	-	0.5345*	0.4603
Group 2	0.1764	0.3581	0.5345*	0.4603
Institutional accumulation				
Group 1	0.6694	-	0.6694*	0.5857
Group 2	0.3857	0.2837	0.6694*	0.5857
Retail income				
Group 1	0.3208	-	0.3208**	0.2808
Group 2	0.1528	0.1680	0.3208**	0.2808
Institutional income				
Group 1	0.3779	-	0.3779**	0.3376
Group 2	0.1658	0.2121	0.3779**	0.3376
Standard Life income				
Group 1	0.2919	-	0.2919**	0.2475
Group 2	0.2919	-	0.2919**	0.2475
Standard Life accumulation				
Group 1	0.8092	-	0.8092*	0.7156
Group 2	0.1577	0.6515	0.8092*	0.7156
Platform 1 accumulation				
Group 1	0.4518	-	0.4518*	0.3947
Group 2	0.2522	0.1996	0.4518*	0.3947
Platform 1 income				
Group 1	0.3834	-	0.3834**	0.3418
Group 2	0.1997	0.1837	0.3834**	0.3418

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.2951	-	0.2951*	0.3087
Group 2	0.2338	0.0613	0.2951*	0.3087
Institutional accumulation				
Group 1	0.4153	-	0.4153*	0.4243
Group 2	0.1107	0.3046	0.4153*	0.4243
Retail income				
Group 1	0.1759	-	0.1759**	0.1875
Group 2	0.0930	0.0829	0.1759**	0.1875
Institutional income				
Group 1	0.2328	-	0.2328**	0.2432
Group 2	0.1626	0.0702	0.2328**	0.2432
Standard Life income				
Group 1	0.1915	-	0.1915**	0.1506
Group 2	0.0973	0.0942	0.1915**	0.1506
Standard Life accumulation				
Group 1	0.5487	-	0.5487*	0.5517
Group 2	0.5487	-	0.5487*	0.5517
Platform 1 accumulation				
Group 1	0.2771	-	0.2771*	0.2836
Group 2	0.1482	0.1289	0.2771*	0.2836
Platform 1 income				
Group 1	0.2337	-	0.2337**	0.2444
Group 2	0.1090	0.1247	0.2337**	0.2444

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.3822	-	0.3822*	0.3589
Group 2	0.2620	0.1202	0.3822*	0.3589
Institutional accumulation				
Group 1	0.4775	-	0.4775*	0.4766
Group 2	0.2816	0.1959	0.4775*	0.4766
Retail income				
Group 1	0.2273	-	0.2273**	0.2171
Group 2	0.0770	0.1503	0.2273**	0.2171
Institutional income				
Group 1	0.2848	-	0.2848**	0.2718
Group 2	0.0964	0.1884	0.2848**	0.2718
Standard Life income				
Group 1	0.2083	-	0.2083**	0.2165
Group 2	0.2083	-	0.2083**	0.2165
Standard Life accumulation				
Group 1	0.6499	-	0.6499*	0.6037
Group 2	0.2086	0.4413	0.6499*	0.6037
Platform 1 accumulation				
Group 1	0.3421	-	0.3421*	0.3200
Group 2	0.1704	0.1717	0.3421*	0.3200
Platform 1 income				
Group 1	0.2870	-	0.2870**	0.2740
Group 2	0.1388	0.1482	0.2870**	0.2740

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Ethical Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in UK equities (company shares) which meet the ethical criteria set out in the investment manager's Ethical Investment Policy.

Performance Target: To achieve the return of the FTSE All-Share Index, plus 2% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated, or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments), money-market instruments, and cash.
- All investments will comply with the Ethical Investment Policy. The Fund uses negative criteria to avoid investing in companies that operate to a degree in certain areas, including but not limited to those deriving revenue from animal testing, weaponry, pornography and gambling services. In addition to excluding such companies which operate in certain industries and activities, the Fund will seek to include companies whose business activities are regarded as making a positive contribution in terms of preserving the environment or improving the quality and safety of human life. In making an assessment of whether business activities make a positive contribution, the investment manager will make reference to the UN Global Compact to define the areas where the Fund seeks to invest in companies with positive business practices and services. The areas include human rights, labour rights, environmental safeguards and combating bribery and corruption. Please refer to the Ethical Investment Policy for further detail.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.

- In seeking to achieve the Performance Target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 12%. Due to the ethical nature of the management process, there are a material number of stocks and sectors in the FTSE All-Share Index that the Fund is unable to invest, which means the Fund's performance profile may deviate significantly from that of the FTSE All-Share Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 8.6%. This compared to a return of 0.3% for our performance target (the FTSE All-Share Index +2%).

Boohoo was a positive for the Fund. Investors marked up the shares after it increased its full-year sales forecast. The company's core brands have turned in an impressive performance, allowing the business to invest in smaller brands, such as Karen Millen and Coast, to drive future growth. Kainos, which supplies digital services to the government, added to returns. Historically, the company's shares can be volatile during periods of political uncertainty; the Conservative Party's general election win signalled a rally in the shares. Bellway, the housebuilder, was rewarded for delivering a record number of new homes. Investors expect strong growth in sales as demand outstrips supply, which is supported by the ongoing availability of Help to Buy and low interest rates. Engineering software developer Aveva Group's shares were boosted by its robust earnings results. These were underpinned by market expansion and the early success of cross-selling following the merger with Schneider. Office supplier IWG (formerly Regus) was another positive holding. Its share price rose after the sale of its Japanese office assets, which should unlock value for the firm. Not owning BP (as a result of our ethical screening process) also benefited the Fund. The company performed poorly amid concerns about global growth from the US-China trade dispute and more latterly from the spread of the coronavirus.

Performance (continued)

By contrast, the share price of Fever-Tree Drinks, the premium mixer drinks business, weakened after the company issued a disappointing trading statement. Investors were surprised by a strategy change in North America. This is expected to lead to slower earnings growth. That said, we continue to believe that its expansion into the US market will support medium-term growth. Another underperformer was Cineworld. The UK cinema operator continued to weaken as doubts persisted about the rejuvenation of its US cinema chain. The company's high level of debt is an additional burden causing concern. Having zero exposure, based on our ethical screens, to AstraZeneca and BAT detracted from returns.

Activity

We established a new position in paper producer Mondi. We are particularly attracted by its low valuation, the potential for high returns, its strong balance sheet, and a well-regarded management team. We added multi-utility company National Grid. The business is an attractive mix of regulated and growing non-regulated assets in the UK and US. We believe there are significant growth opportunities in North America with renewables and new technology where National Grid is well placed to benefit. Barclays was added following an upgrade of its ethical score to 'acceptable'. Ongoing engagement with its management team and progress with the Financial Conduct Authority's investigation shows the bank is moving forward. From a valuation aspect, operational initiatives designed to deliver cost savings are gaining traction. We also started a new position in housebuilder Crest Nicholson. We believe that the turnaround opportunities under its new management team will deliver significant upside to profit margins.

In terms of sales, we removed healthcare group NMC amid concerns about governance issues relating to its board structure and composition. We removed media group ITV, given structural concerns around changing television viewing habits and the rise of new content providers. We trimmed software designer Sage amid worries about the outlook for revenue growth in the second half of 2019. We took profits in office rental service provider IWG. The business had sold its Japanese assets in a refranchising deal, an action that was well received by investors. Lastly, we sold Aviva as its strategic direction is becoming uncertain in light of its collection of relatively mediocre assets. We do not expect the new CEO to introduce any material changes to the firm's business strategy.

Outlook and strategy

The market remains highly volatile, with a significant dent to global growth from the spread of the coronavirus. In some instances we believe investors have overreacted, by assuming that solvent businesses stand a significant chance of going bankrupt from the economic hiatus caused by the virus; we doubt that governments and central banks will allow this to happen. Nevertheless, in a more general sense the market sell-off is entirely understandable. Therefore, we are focusing our efforts on searching for businesses whose share prices have been hit hard but which have robust balance sheets with strong liquidity. This should allow these companies the benefit of time to trade through the difficulties of the coming months and survive the economic crisis.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

	2020 pence per share	2019 pence per share	2018 pence per share
Retail accumulation			
Change in net assets per share			
Opening net asset value per share	167.61	175.81	153.91
Return before operating charges*	17.15	(5.89)	24.17
Operating charges	(2.43)	(2.31)	(2.27)
Return after operating charges*	14.72	(8.20)	21.90
Distributions	(2.52)	(2.39)	(1.65)
Retained distributions on accumulation shares	2.52	2.39	1.65
Closing net asset value per share	182.33	167.61	175.81
 * after direct transaction costs of:	 0.20	 0.17	 0.17
Performance			
Return after charges	8.78%	(4.66%)	14.23%
Other information			
Closing net asset value (£'000)	62,052	59,488	65,819
Closing number of shares	34,032,028	35,490,673	37,437,581
Operating charges	1.32%	1.32%	1.32%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	208.3	190.3	185.4
Lowest share price	167.6	150.1	155.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	189.30	197.62	172.19
Return before operating charges*	19.34	(6.65)	27.07
Operating charges	(1.77)	(1.67)	(1.64)
Return after operating charges*	17.57	(8.32)	25.43
Distributions	(3.83)	(3.62)	(2.75)
Retained distributions on accumulation shares	3.83	3.62	2.75
Closing net asset value per share	206.87	189.30	197.62
 * after direct transaction costs of:	 0.23	 0.19	 0.19
Performance			
Return after charges	9.28%	(4.21%)	14.77%
Other information			
Closing net asset value (£'000)	83,358	77,851	73,555
Closing number of shares	40,294,906	41,125,771	37,219,549
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	236.4	214.2	208.3
Lowest share price	189.3	169.4	174.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	60.62	64.53	57.02
Return before operating charges*	6.18	(2.18)	8.97
Operating charges	(0.57)	(0.55)	(0.55)
Return after operating charges*	5.61	(2.73)	8.42
Distributions	(1.23)	(1.18)	(0.91)
Closing net asset value per share	65.00	60.62	64.53
 * after direct transaction costs of:	 0.07	 0.06	 0.06
Performance			
Return after charges	9.25%	(4.23%)	14.77%
Other information			
Closing net asset value (£'000)	14,295	8,952	4,775
Closing number of shares	21,991,384	14,766,945	7,400,286
Operating charges	0.85%	0.85%	0.85%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	75.69	69.93	68.98
Lowest share price	60.63	55.31	57.71

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	213.03	220.75	190.91
Return before operating charges*	21.75	(7.50)	30.06
Operating charges	(0.23)	(0.22)	(0.22)
Return after operating charges*	21.52	(7.72)	29.84
Distributions	(6.09)	(5.71)	(4.67)
Retained distributions on accumulation shares	6.09	5.71	4.67
Closing net asset value per share	234.55	213.03	220.75
 * after direct transaction costs of:	 0.26	 0.22	 0.21
Performance			
Return after charges	10.10%	(3.50%)	15.63%
Other information			
Closing net asset value (£'000)	463	543	677
Closing number of shares	197,532	255,080	306,542
Operating charges	0.10%	0.10%	0.10%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	268.0	239.7	232.5
Lowest share price	213.1	190.4	193.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	126.98	131.97	114.47
Return before operating charges*	12.98	(4.46)	18.01
Operating charges	(0.56)	(0.53)	(0.51)
Return after operating charges*	12.42	(4.99)	17.50
Distributions	(3.20)	(3.01)	(2.41)
Retained distributions on accumulation shares	3.20	3.01	2.41
Closing net asset value per share	139.40	126.98	131.97
 * after direct transaction costs of:	 0.15	 0.13	 0.13
Performance			
Return after charges	9.78%	(3.78%)	15.29%
Other information			
Closing net asset value (£'000)	30,513	28,821	29,855
Closing number of shares	21,888,956	22,697,632	22,623,290
Operating charges	0.40%	0.40%	0.40%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	159.2	143.2	139.0
Lowest share price	127.0	113.5	115.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	104.38	109.02	95.04
Return before operating charges*	10.65	(3.66)	14.94
Operating charges	(1.03)	(0.98)	(0.96)
Return after operating charges*	9.62	(4.64)	13.98
Distributions	(2.05)	(1.94)	(1.47)
Retained distributions on accumulation shares	2.05	1.94	1.47
Closing net asset value per share	114.00	104.38	109.02
 * after direct transaction costs of:	 0.13	 0.11	 0.11
Performance			
Return after charges	9.22%	(4.26%)	14.71%
Other information			
Closing net asset value (£'000)	131,284	121,565	117,020
Closing number of shares	115,159,888	116,463,693	107,333,852
Operating charges	0.90%	0.90%	0.90%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	130.3	118.1	114.9
Lowest share price	104.4	93.41	96.18

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	60.61	64.51	57.01
Return before operating charges*	6.18	(2.17)	8.96
Operating charges	(0.60)	(0.58)	(0.58)
Return after operating charges*	5.58	(2.75)	8.38
Distributions	(1.19)	(1.15)	(0.88)
Closing net asset value per share	65.00	60.61	64.51
 * after direct transaction costs of:	 0.07	 0.06	 0.06
Performance			
Return after charges	9.21%	(4.26%)	14.70%
Other information			
Closing net asset value (£'000)	9,415	6,883	4,624
Closing number of shares	14,485,612	11,355,840	7,167,920
Operating charges	0.90%	0.90%	0.90%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	75.64	69.90	68.93
Lowest share price	60.62	55.27	57.69

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional A accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	61.99	65.20	57.24
Return before operating charges*	6.32	(2.17)	8.98
Operating charges	(1.08)	(1.04)	(1.02)
Return after operating charges*	5.24	(3.21)	7.96
Distributions	(0.74)	(0.70)	(0.43)
Retained distributions on accumulation shares	0.74	0.70	0.43
Closing net asset value per share	67.23	61.99	65.20
 * after direct transaction costs of:	 0.07	 0.06	 0.06
Performance			
Return after charges	8.45%	(4.92%)	13.91%
Other information			
Closing net asset value (£'000)	110	129	182
Closing number of shares	163,747	208,712	279,456
Operating charges	1.60%	1.60%	1.60%
Direct transaction costs	0.11%	0.10%	0.10%
Prices			
Highest share price	76.84	70.50	68.78
Lowest share price	61.96	55.54	57.90

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (96.60%)		325,836	98.29
Basic Materials (0.00%)		5,197	1.57
332,848	Mondi	5,197	1.57
Consumer Goods (20.53%)		66,165	19.96
353,514	Bellway	13,158	3.97
3,892,044	Boohoo.com++	11,322	3.42
1,386,496	Countryside Properties	6,517	1.97
918,723	Crest Nicholson	4,151	1.25
1,786,624	Dixons Carphone	2,173	0.65
388,036	Fever Tree Drinks++	4,895	1.48
260,048	Greggs	5,430	1.64
799,255	Inchcape	4,608	1.39
43,189	JD Sports	318	0.10
2,249,327	Joules++	3,025	0.91
2,653,803	McCarthy & Stone	3,553	1.07
739,238	Redrow	5,507	1.66
486,806	SuperGroup	1,508	0.45
Consumer Services (13.85%)		45,669	13.78
2,704,512	Centaur Media	1,076	0.33
2,685,999	Cineworld	4,166	1.26
314,310	CVS++	3,347	1.01
1,326,218	Hollywood Bowl	3,209	0.97
6,125,557	ITE	4,729	1.43
88,333	Just Eat Takeaway.com	6,016	1.81
1,042,938	Mitchells & Butlers	3,489	1.05
294,902	RELX	5,506	1.66
512,102	Rightmove	3,169	0.96
973,964	Trainline	4,514	1.36
636,173	TUI	3,816	1.15
1,175,078	Wilmington	2,632	0.79
Financials (18.46%)		61,287	18.49
852,981	Ashmore	3,941	1.19
2,025,689	Barclays	3,013	0.91
148,264	British Land REIT	743	0.22
957,579	Chesnara	2,662	0.80
404,517	Close Brothers	5,186	1.57
1,781,573	CYBG	2,704	0.82

Holding	Investment	Market value £'000	Percentage of total net assets
2,278,481	Grainger	6,749	2.04
322,969	Hammerson REIT	673	0.20
321,862	Intermediate Capital	5,121	1.55
996,537	John Laing Group	3,350	1.01
539,006	M&G	1,071	0.32
1,076,036	Onesavings Bank	4,319	1.30
384,639	Phoenix	2,658	0.80
539,005	Prudential	6,827	2.06
789,658	Sirius Real Estate	636	0.19
376,474	St James's Place	3,821	1.15
958,859	Standard Chartered	5,393	1.63
213,740	Unite REIT	2,420	0.73
Health Care (5.44%)		5,149	1.55
657,699	Clinigen++	4,719	1.42
372,409	Georgia Healthcare	430	0.13
Industrials (23.15%)		86,729	26.16
742,639	Bodycote	5,670	1.71
295,596	Diploma	5,554	1.68
537,586	Electrocomponents	3,258	0.98
34,072	Ferguson	2,296	0.69
815,710	Grafton	7,027	2.12
1,630,564	Howdens Joinery	10,367	3.13
303,963	IMI	3,056	0.92
874,067	IWG	3,073	0.93
316,694	Marshalls	2,301	0.69
792,525	Midwich++	4,367	1.32
2,063,441	Mitie Group	2,883	0.87
1,969,423	Polypipe	10,517	3.17
744,351	Porvair	4,972	1.50
387,860	Ricardo	2,544	0.77
689,616	Robert Walters	3,779	1.14
992,567	Sanne Group	5,648	1.70
2,049,703	Smith (DS)	6,438	1.94
705,225	Vesuvius	2,979	0.90
Oil & Gas (1.27%)		4,290	1.29
1,171,871	Wood Group	4,290	1.29

Holding	Investment	Market value £'000	Percentage of total net assets
Technology (10.71%)		37,558	11.33
307,439	Accesso++	1,411	0.43
1,095,252	Avast	4,311	1.30
190,697	Aveva	8,364	2.52
68,079	Blanco Technology++	152	0.05
211,831	Blue Prism++	3,061	0.92
317,610	EMIS++	3,602	1.09
459,619	FDM	3,953	1.19
1,323,010	Kainos	9,843	2.97
151,660	Micro Focus	1,123	0.34
254,978	Sage	1,738	0.52
Telecommunications (3.19%)		8,813	2.66
406,585	Gamma Communication++	4,899	1.48
2,913,311	Vodafone	3,914	1.18
Utilities (0.00%)		4,979	1.50
506,674	National Grid	4,979	1.50
Total investment assets		325,836	98.29
Net other assets		5,654	1.71
Total Net Assets		331,490	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	22,185	(18,789)
Revenue	4	9,066	8,196
Expenses	5	(3,078)	(2,823)
Net revenue before taxation		5,988	5,373
Taxation	6	(53)	(31)
Net revenue after taxation		5,935	5,342
Total return before distributions		28,120	(13,447)
Distributions	7	(5,935)	(5,342)
Change in net assets attributable to shareholders from investment activities		22,185	(18,789)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	304,232	296,507
Amounts receivable on the issue of shares	37,925	42,163
Amounts payable on the cancellation of shares	(38,345)	(21,112)
	(420)	21,051
Dilution adjustment	10	164
Change in net assets attributable to shareholders from investment activities (see above)	22,185	(18,789)
Retained distribution on accumulation shares	5,483	5,299
Closing net assets attributable to shareholders	331,490	304,232

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		325,836	293,889
Current assets:			
Debtors	8	385	538
Cash and bank balances		8,400	10,573
		8,785	11,111
Total assets		334,621	305,000
Liabilities:			
Creditors	9	(2,688)	(463)
Distribution payable		(443)	(305)
		(3,131)	(768)
Total liabilities		(3,131)	(768)
Net assets attributable to shareholders		331,490	304,232

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	22,191	(18,787)
Other (losses)/gains	(1)	1
Transaction charges	(5)	(3)
Net capital gains/(losses)	22,185	(18,789)

3 Equity Purchases, Sales and Transaction Costs

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trades in the year				
Equities	71,141	59,205	52,520	32,038
Corporate actions	–	4,940	9,235	1,523
Trades in the year before transaction costs	71,141	64,145	61,755	33,561
Commissions				
Equities	41	39	(32)	(22)
Total commissions	41	39	(32)	(22)
Taxes				
Equities	297	238	–	–
Total taxes	297	238	–	–
Total transaction costs	338	277	(32)	(22)
Total net trades in the year after transaction costs	71,479	64,422	61,723	33,539

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.07	0.06	0.07
Taxes				
Equities	0.42	0.40	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.09	0.08

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.40% (2019: 0.38%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	8,557	7,804
Overseas dividends	312	334
Bank interest	99	58
Property income distributions	98	–
Total revenue	9,066	8,196

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,728	2,506
Dealing charge	72	64
Registration fees	218	194
	3,018	2,764
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	41	41
Safe custody fee	8	9
	49	50
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	3,078	2,823

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	53	31
Total current tax	53	31
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	5,988	5,373
Corporation tax at 20% (2019: 20%)	1,198	1,075
Effects of:		
Revenue not subject to taxation	(1,774)	(1,628)
Overseas taxes	53	31
Excess allowable expenses	576	553
Total tax charge for year (note 6a)	53	31

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,063,000 (2019: £5,487,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	5,926	5,604
Add: Income deducted on cancellation of shares	506	254
Deduct: Income received on issue of shares	(497)	(516)
Net distribution for the year	5,935	5,342

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	273	298
Accrued revenue	29	167
Foreign withholding tax recoverable	83	73
Total debtors	385	538

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	869	228
Purchases awaiting settlement	1,537	11
Accrued expenses payable to ACD	266	206
Accrued expenses payable to the Depositary or associates of the Depositary	5	10
Other accrued expenses	11	8
Total creditors	2,688	463

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	35,490,673	1,879,669	(2,580,712)	(757,602)	34,032,028
Institutional accumulation	41,125,771	4,928,334	(5,870,287)	111,088	40,294,906
Institutional income	14,766,945	10,149,809	(2,925,370)	–	21,991,384
Standard Life accumulation	255,080	18,573	(76,121)	–	197,532
Institutional regulated accumulation	22,697,632	1,281,115	(2,089,791)	–	21,888,956
Platform 1 accumulation	116,463,693	10,235,315	(12,551,134)	1,012,014	115,159,888
Platform 1 income	11,355,840	5,782,581	(2,652,809)	–	14,485,612
Institutional A accumulation	208,712	–	(44,965)	–	163,747

12 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Equities	325,836	–	–	293,889	–	–
Total investment assets	325,836	–	–	293,889	–	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £16,292,000 (2019: £14,694,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £6,000 (2019: £5,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	138	104

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	8,331	323,021	331,352
Euro	69	69	138
2019			
Currency			
UK Sterling	10,523	293,605	304,128
Euro	49	55	104

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14

Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional A Accumulation' was 67.23p. The Net Asset Value of share class 'Institutional A Accumulation' as at 12 noon on 17 June 2020 was 59.69p. This represents a decrease of 11.22% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution Table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	2.5220	-	2.5220*	2.3914*
Group 2	0.5699	1.9521	2.5220*	2.3914*
Institutional accumulation				
Group 1	3.8311	-	3.8311*	3.6193*
Group 2	1.2095	2.6216	3.8311*	3.6193*
Institutional income				
Group 1	1.2274	-	1.2274**	1.1817**
Group 2	0.3734	0.8540	1.2274**	1.1817**
Standard Life accumulation				
Group 1	6.0877	-	6.0877*	5.7115*
Group 2	2.4955	3.5922	6.0877*	5.7115*
Institutional regulated accumulation				
Group 1	3.2041	-	3.2041*	3.0145*
Group 2	1.2051	1.9990	3.2041*	3.0145*
Platform 1 accumulation				
Group 1	2.0546	-	2.0546*	1.9419*
Group 2	0.6930	1.3616	2.0546*	1.9419*
Platform 1 income				
Group 1	1.1936	-	1.1936**	1.1489**
Group 2	0.3206	0.8730	1.1936**	1.1489**
Institutional A accumulation				
Group 1	0.7408	-	0.7408*	0.7047*
Group 2	0.7408	-	0.7408*	0.7047*

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Government Bond Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in UK Government bonds.

Performance Target: To achieve the return of the FTSE Actuaries UK Conventional Gilts All Stocks Index plus 0.5% per annum (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA UK Gilt Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities

- The Fund will invest at least 80% in government bonds issued or guaranteed by the UK Government.
- The Fund may also invest in investment grade bonds issued anywhere in the world by governments, sub-sovereigns and corporations including inflation-linked bonds. The Fund will employ techniques to reduce (hedge) risk related to currency movements on non-Sterling bonds.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process

- The management team use their discretion (active management) to identify investments after analysing global economic and market conditions (for example, interest rates and inflation) in addition to analysing of individual bonds and derivatives.
- In seeking to achieve the Performance Target, the FTSE Actuaries UK Conventional Gilts All Stocks Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the fund and the index is not ordinarily expected to exceed 1.5%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the FTSE Actuaries UK Conventional Gilts All Stocks Index over the longer term.

Derivatives and Techniques

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivatives can be used to generate growth, consistent with the Fund's risk profile, if market prices are expected to rise ("long positions") or fall ("short positions").
- These positions can be used in overseas markets.
- Derivatives include instruments used to manage expected changes in interest rates, inflation, currencies or creditworthiness of corporations or governments.

Performance

Over the period under review, the Fund returned 12.1%. This compared to a return of 12.4% for our performance target (the FTSE Actuaries UK Conventional Gilts All Stocks Index +0.5%).

Although underperforming its target modestly, the Fund delivered a strong total return for the period. The main driver of this was a sharp reduction in gilt yields, with the 10-year gilt yield falling by 58 basis points (bps) to a near record low of 0.42% by the end of February 2020. This decline in yields reflected continuing growth worries, including Brexit-related concerns, the ongoing US/China trade war and latterly, the coronavirus pandemic. The decline in UK government bond yields over the period was broadly in line with most other developed countries, with 10-year US treasury and 10-year German bund yields falling the 126bps and 54bs over the same period.

Investment activity

By far the biggest driver of the Fund's positive total return was its positions in UK gilts, which saw large yield declines over the period. In addition, there were smaller positive contributions from the from the Fund's positions in US treasuries and German bunds, which also saw sizable yield compression over the period.

Synthetic Risk & Reward Indicator



This indicator reflects the volatility of the Fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 4 because of the extent to which the following risk factors apply:

- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income. The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund’s ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

	2020 pence per share	2019 pence per share	2018 pence per share
Retail accumulation			
Change in net assets per share			
Opening net asset value per share	76.20	75.20	76.79
Return before operating charges*	9.32	1.82	(0.77)
Operating charges	(0.74)	(0.82)	(0.82)
Return after operating charges*	8.58	1.00	(1.59)
Distributions	(0.26)	(0.10)	(0.01)
Retained distributions on accumulation shares	0.26	0.10	0.01
Closing net asset value per share	84.78	76.20	75.20
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.26%	1.32%	(2.07%)
Other information			
Closing net asset value (£'000)	4,738	4,941	5,511
Closing number of shares	5,588,325	6,484,404	7,327,607
Operating charges	0.92%	1.08%	1.08%
Direct transaction costs	–	–	–
Prices			
Highest share price	85.13	77.36	77.87
Lowest share price	76.30	73.64	74.13

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	80.30	78.91	80.24
Return before operating charges*	10.27	1.92	(0.80)
Operating charges	(0.42)	(0.53)	(0.53)
Return after operating charges*	9.85	1.39	(1.33)
Distributions	(0.64)	(0.45)	(0.34)
Retained distributions on accumulation shares	0.64	0.45	0.34
Closing net asset value per share	90.15	80.30	78.91
 * after direct transaction costs of:	 -	 -	 -
Performance			
Return after charges	12.27%	1.76%	(1.66%)
Other information			
Closing net asset value (£'000)	6,192	6,311	7,245
Closing number of shares	6,869,080	7,859,018	9,181,687
Operating charges	0.50%	0.67%	0.66%
Direct transaction costs	-	-	-
Prices			
Highest share price	90.31	81.49	81.54
Lowest share price	80.40	77.47	77.77

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	48.25	47.68	48.70
Return before operating charges*	5.92	1.16	(0.49)
Operating charges	(0.47)	(0.52)	(0.52)
Return after operating charges*	5.45	0.64	(1.01)
Distributions	(0.16)	(0.07)	(0.01)
Closing net asset value per share	53.54	48.25	47.68
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.30%	1.34%	(2.07%)
Other information			
Closing net asset value (£'000)	1,171	1,303	1,429
Closing number of shares	2,186,212	2,700,187	2,997,042
Operating charges	0.92%	1.08%	1.08%
Direct transaction costs	–	–	–
Prices			
Highest share price	53.82	49.04	49.38
Lowest share price	48.31	46.68	47.01

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	48.26	47.69	48.70
Return before operating charges*	5.99	1.17	(0.48)
Operating charges	(0.26)	(0.33)	(0.32)
Return after operating charges*	5.73	0.84	(0.80)
Distributions	(0.36)	(0.27)	(0.21)
Closing net asset value per share	53.63	48.26	47.69
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	11.87%	1.76%	(1.64%)
Other information			
Closing net asset value (£'000)	14,363	14,772	450
Closing number of shares	26,782,044	30,607,423	944,112
Operating charges	0.50%	0.67%	0.66%
Direct transaction costs	–	–	–
Prices			
Highest share price	53.91	49.14	49.41
Lowest share price	48.32	46.71	47.11

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	88.10	86.14	87.15
Return before operating charges*	10.75	2.10	(0.87)
Operating charges	(0.16)	(0.14)	(0.14)
Return after operating charges*	10.59	1.96	(1.01)
Distributions	(1.00)	(0.92)	(0.81)
Retained distributions on accumulation shares	1.00	0.92	0.81
Closing net asset value per share	98.69	88.10	86.14
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.02%	2.28%	(1.16%)
Other information			
Closing net asset value (£'000)	1,823	1,800	1,887
Closing number of shares	1,847,546	2,042,880	2,189,815
Operating charges	0.18%	0.16%	0.16%
Direct transaction costs	–	–	–
Prices			
Highest share price	98.84	89.39	88.81
Lowest share price	88.21	84.83	84.89

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	59.29	58.29	59.30
Return before operating charges*	7.55	1.42	(0.59)
Operating charges	(0.35)	(0.42)	(0.42)
Return after operating charges*	7.20	1.00	(1.01)
Distributions	(0.43)	(0.30)	(0.23)
Retained distributions on accumulation shares	0.43	0.30	0.23
Closing net asset value per share	66.49	59.29	58.29
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.14%	1.72%	(1.70%)
Other information			
Closing net asset value (£'000)	5,364	5,892	7,418
Closing number of shares	8,067,530	9,938,878	12,726,899
Operating charges	0.55%	0.71%	0.71%
Direct transaction costs	–	–	–
Prices			
Highest share price	66.63	60.17	60.25
Lowest share price	59.36	57.21	57.45

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	55.63	54.97	56.14
Return before operating charges*	7.15	1.34	(0.56)
Operating charges	(0.33)	(0.40)	(0.40)
Return after operating charges*	6.82	0.94	(0.96)
Distributions	(0.40)	(0.28)	(0.21)
Closing net asset value per share	62.05	55.63	54.97
 * after direct transaction costs of:	 –	 –	 –
Performance			
Return after charges	12.26%	1.71%	(1.71%)
Other information			
Closing net asset value (£'000)	1,207	1,323	1,812
Closing number of shares	1,944,573	2,378,079	3,296,797
Operating charges	0.55%	0.71%	0.71%
Direct transaction costs	–	–	–
Prices			
Highest share price	62.38	56.63	56.95
Lowest share price	55.70	53.84	54.29

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Bonds (99.25%)		34,597	99.25
Sterling Denominated Bonds (97.99%)		34,597	99.25
Corporate Bonds (0.00%)		509	1.46
less than 5 years to maturity			
180,000	KFW 1.125% 2021	182	0.52
283,000	Network Rail 4.75% 2024	327	0.94
Government Bonds (97.99%)		34,088	97.79
less than 5 years to maturity			
82,000	European Bank for Reconstruction & Development 1.25% 2022	83	0.24
227,000	European Investment Bank 0.75% 2023	228	0.65
53,000	European Investment Bank 0.875% 2021	53	0.15
297,000	European Investment Bank 0.875% 2023	300	0.86
300,000	FMS Wertmanagement 1.125% 2021	302	0.87
100,000	FMS Wertmanagement 1.125% 2023	101	0.29
482,000	KFW 1.375% 2021	485	1.39
135,000	Landwirtschaftliche Rentenbank 1.375% 2020	136	0.39
714,000	UK (Govt of) 0.5% 2022	717	2.06
14,000	UK (Govt of) 0.75% 2023	14	0.04
403,000	UK (Govt of) 1% 2024	414	1.19
391,000	UK (Govt of) 1.5% 2021	395	1.13
446,000	UK (Govt of) 1.75% 2022	462	1.33
1,261,000	UK (Govt of) 2% 2020	1,268	3.64
576,000	UK (Govt of) 2.25% 2023	615	1.76
574,000	UK (Govt of) 2.75% 2024	637	1.83
400,000	UK (Govt of) 3.75% 2020	407	1.17
73,000	UK (Govt of) 3.75% 2021	77	0.22
945,000	UK (Govt of) 4% 2022	1,015	2.91
970,000	UK (Govt of) 4.75% 2020	970	2.78
600,340	UK (Govt of) 8% 2021	658	1.89
between 5 and 10 years to maturity			
396,000	UK (Govt of) 0.625% 2025	402	1.15
545,000	UK (Govt of) 1.25% 2027	582	1.67
619,000	UK (Govt of) 1.5% 2026	667	1.91
223,000	UK (Govt of) 1.625% 2028	247	0.71
695,592	UK (Govt of) 2% 2025	762	2.19
241,000	UK (Govt of) 4.25% 2027	314	0.90
809,802	UK (Govt of) 5% 2025	999	2.87
442,083	UK (Govt of) 6% 2028	658	1.89
between 10 and 15 years to maturity			
814,088	UK (Govt of) 4.25% 2032	1,171	3.36
1,664,087	UK (Govt of) 4.75% 2030	2,419	6.94

Holding	Investment	Market value £'000	Percentage of total net assets
between 15 and 25 years to maturity			
57,000	UK (Govt of) 1.25% 2041	61	0.17
1,975,000	UK (Govt of) 1.75% 2037	2,276	6.53
396,018	UK (Govt of) 3.25% 2044	592	1.70
602,000	UK (Govt of) 3.5% 2045	945	2.71
675,096	UK (Govt of) 4.25% 2036	1,033	2.96
568,163	UK (Govt of) 4.25% 2040	932	2.67
607,702	UK (Govt of) 4.5% 2042	1,057	3.03
574,000	UK (Govt of) 4.75% 2038	969	2.78
greater than 25 years to maturity			
312,428	UK (Govt of) 1.5% 2047	355	1.02
269,000	UK (Govt of) 1.625% 2071	364	1.04
561,000	UK (Govt of) 1.75% 2049	677	1.94
419,000	UK (Govt of) 1.75% 2057	540	1.55
404,278	UK (Govt of) 2.5% 2065	660	1.89
423,841	UK (Govt of) 3.5% 2068	875	2.51
536,087	UK (Govt of) 3.75% 2052	966	2.77
539,983	UK (Govt of) 4% 2060	1,118	3.21
521,000	UK (Govt of) 4.25% 2046	930	2.67
524,970	UK (Govt of) 4.25% 2049	979	2.81
589,403	UK (Govt of) 4.25% 2055	1,201	3.45
US Dollar Denominated Bonds (1.26%)		–	–
Government Bonds (1.26%)		–	–
Collective Investment Schemes (1.67%)		303	0.87
303	Aberdeen Standard Liquidity Fund (Lux) – Sterling Fund+	303	0.87
Derivatives (0.18%)		125	0.36
Forward Currency Contracts (0.07%)		–	–
Futures (0.01%)		9	0.03
52	Long Australia 3 Year Bond Future 16/03/2020	17	0.05
5	Long Long Gilt Future 26/06/2020	1	–
(14)	Short Canadian 10 Year Bond Future 19/06/2020	(9)	(0.02)
(7)	Short Euro Bond Future 06/03/2020	–	–
(7)	Short Euro-Oat Future 06/03/2020	–	–
Inflation Swaps (0.08%)		30	0.09
GBP 45,000	Pay fixed 3.51% receive floating UKRPI 15/03/2029	(2)	–
GBP 60,000	Pay fixed 3.51% receive floating UKRPI 15/03/2029	(2)	(0.01)
GBP 46,716	Pay fixed 3.71% receive floating UKRPI 15/12/2028	(3)	(0.01)
GBP 62,288	Pay fixed 3.71% receive floating UKRPI 15/12/2028	(4)	(0.01)
GBP 302,280	Pay fixed 3.71% receive floating UKRPI 15/12/2028	(20)	(0.06)
GBP 302,280	Pay fixed 3.71% receive floating UKRPI 15/12/2028	(20)	(0.06)
GBP 1,230,000	Pay floating UKRPI receive fixed 3.31% 15/02/2025	4	0.01
GBP 152,000	Pay floating UKRPI receive fixed 3.43% 15/02/2030	2	–
GBP 300,000	Pay floating UKRPI receive fixed 3.45% 15/12/2029	5	0.02

Holding	Investment	Market value £'000	Percentage of total net assets
GBP 300,000	Pay floating UKRPI receive fixed 3.51% 15/03/2029	9	0.03
GBP 302,280	Pay floating UKRPI receive fixed 3.71% 15/12/2028	20	0.06
GBP 613,720	Pay floating UKRPI receive fixed 3.71% 15/12/2028	41	0.12
Interest Rate Swaps (0.02%)		86	0.24
EUR 403,000	Pay fixed 0.215% receive floating EURIBOR 12/02/2030	(4)	(0.01)
EUR 404,250	Pay fixed 0.3% receive floating EURIBOR 25/10/2029	(6)	(0.02)
EUR 404,250	Pay fixed 0.33% receive floating EURIBOR 24/10/2029	(6)	(0.02)
EUR 404,250	Pay fixed 0.332% receive floating EURIBOR 24/10/2029	(6)	(0.02)
EUR 405,000	Pay fixed 0.42% receive floating EURIBOR 15/11/2029	(8)	(0.02)
EUR 365,000	Pay fixed 0.4215% receive floating EURIBOR 09/01/2030	(7)	(0.02)
EUR 411,500	Pay fixed 0.444% receive floating EURIBOR 11/11/2029	(9)	(0.03)
USD 5,600,000	Pay fixed 0.971% receive floating USD-LIBOR 02/03/2023	(9)	(0.03)
CAD 976,738	Pay fixed 1.5% receive floating CAD-BA-CDOR 19/08/2022	(2)	(0.01)
CAD 2,352,000	Pay fixed 1.83% receive floating CAD-BA-CDOR 16/07/2022	(13)	(0.04)
CAD 7,500,000	Pay floating CAD-BA-CDOR receive fixed 1.382% 26/02/2023	5	0.01
CAD 976,738	Pay floating CAD-BA-CDOR receive fixed 1.5% 19/08/2022	2	0.01
CAD 2,243,415	Pay floating CAD-BA-CDOR receive fixed 1.5% 19/08/2022	4	0.01
CAD 2,333,302	Pay floating CAD-BA-CDOR receive fixed 1.505% 06/08/2022	4	0.02
CAD 3,230,000	Pay floating CAD-BA-CDOR receive fixed 1.5175% 26/08/2022	7	0.02
CAD 3,900,000	Pay floating CAD-BA-CDOR receive fixed 1.83% 16/07/2022	22	0.06
CAD 1,620,000	Pay floating CAD-BA-CDOR receive fixed 1.8625% 12/11/2022	10	0.03
CAD 1,620,000	Pay floating CAD-BA-CDOR receive fixed 1.8675% 12/11/2022	10	0.03
GBP 4,427,000	Pay floating GBP-LIBOR receive fixed 0.649% 31/01/2023	5	0.02
GBP 4,427,000	Pay floating GBP-LIBOR receive fixed 0.65% 31/01/2023	5	0.02
GBP 5,384,000	Pay floating GBP-LIBOR receive fixed 0.719% 17/02/2023	10	0.03
SEK 4,703,000	Pay floating SEK-STIBOR receive fixed 0.6975% 12/02/2030	5	0.01
SEK 4,503,000	Pay floating SEK-STIBOR receive fixed 0.75% 25/10/2029	6	0.02
SEK 4,503,000	Pay floating SEK-STIBOR receive fixed 0.766% 24/10/2029	6	0.02
SEK 4,503,000	Pay floating SEK-STIBOR receive fixed 0.772% 24/10/2029	7	0.02
SEK 4,500,000	Pay floating SEK-STIBOR receive fixed 0.85% 15/11/2029	8	0.02
SEK 4,825,000	Pay floating SEK-STIBOR receive fixed 0.879% 11/11/2029	9	0.03
SEK 3,675,000	Pay floating SEK-STIBOR receive fixed 0.9215% 09/01/2030	7	0.02
GBP 205,000	Pay floating SONIA receive fixed 0.5651% 07/12/2027	3	0.01
GBP 347,000	Pay floating SONIA receive fixed 0.6165% 22/10/2029	6	0.02
GBP 265,000	Pay floating SONIA receive fixed 0.675% 22/10/2028	6	0.02
GBP 383,000	Pay floating SONIA receive fixed 0.67% 22/10/2028	9	0.01
Total investment assets and liabilities		35,025	100.48
Net other liabilities		(167)	(0.48)
Total Net Assets		34,858	100.00

All investments (excluding OTC derivatives) are listed on recognised stock exchanges and are approved securities, regulated collective investment schemes or approved derivatives within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	2	3,814	585
Revenue	4	427	334
Expenses	5	(188)	(199)
Interest payable and similar charges		-	(2)
Net revenue before taxation		239	133
Taxation	6	-	-
Net revenue after taxation		239	133
Total return before distributions		4,053	718
Distributions	7	(239)	(133)
Change in net assets attributable to shareholders from investment activities		3,814	585

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	36,342	25,752
Amounts receivable on the issue of shares	2,917	16,833
Amounts payable on the cancellation of shares	(8,331)	(6,938)
	(5,414)	9,895
Dilution adjustment	-	17
Change in net assets attributable to shareholders from investment activities (see above)	3,814	585
Retained distribution on accumulation shares	116	93
Closing net assets attributable to shareholders	34,858	36,342

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		35,155	36,852
Current assets:			
Debtors	8	286	1,232
Cash and bank balances	9	2	34
		288	1,266
Total assets		35,443	38,118
Liabilities:			
Investment liabilities		(130)	(111)
Creditors	10	(348)	(1,594)
Bank overdrafts	9	(58)	(18)
Distribution payable		(49)	(53)
		(455)	(1,665)
Total liabilities		(585)	(1,776)
Net assets attributable to shareholders		34,858	36,342

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains

	2020 £'000	2019 £'000
Non-derivative securities	3,901	611
Derivative contracts	(20)	(42)
Forward currency contracts	(53)	21
Transaction charges	(14)	(5)
Net capital gains	3,814	585

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Bonds are dealt on a spread agreed between buyer and seller with reference to the expected cashflows and current credit profiles.

Derivatives are dealt on a spread agreed between buyer and seller with reference to the underlying investment.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bonds	68,737	30,124	73,564	19,739
Collective investment schemes	18,257	11,812	18,562	11,278
Trades in the year before transaction costs	86,994	41,936	92,126	31,017
Total net trades in the year after transaction costs	86,994	41,936	92,126	31,017

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.09% (2019: 0.06%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
Taxable distributions on offshore funds	4	1
Interest on debt securities	420	332
Derivative revenue	3	1
Total revenue	427	334

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	165	160
Dealing charge	4	4
Registration fees	24	17
	193	181
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	6	5
Safe custody fee	1	1
	7	6
Other:		
Professional fees	1	–
Audit fee	13	12
Expense cap refunded by the ACD	(26)	–
	(12)	12
Total expenses	188	199

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	–	–
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	239	133
Corporation tax at 20% (2019: 20%)	48	27
Effects of:		
Distributions treated as tax deductible	(48)	(27)
Total tax charge for year (note 6a)	–	–

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	129	43
Final distribution	100	107
	229	150
Add: Income deducted on cancellation of shares	14	12
Deduct: Income received on issue of shares	(4)	(29)
Net distribution for the year	239	133

Details of the distribution per share are set out in this Fund's distribution tables.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	34	32
Sales awaiting settlement	–	921
Expenses reimbursement receivable from the ACD	19	–
Accrued revenue	233	279
Total debtors	286	1,232

9 Cash and Bank Balances

	2020 £'000	2019 £'000
Amounts held at futures clearing houses and brokers	–	33
Cash and bank balances	2	1
	2	34
Cash overdrafts at broker	(58)	(18)
Total cash and bank balances	(56)	16

10 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	98	77
Purchases awaiting settlement	220	1,486
Accrued expenses payable to ACD	15	18
Accrued expenses payable to the Depositary or associates of the Depositary	1	1
Other accrued expenses	14	12
Total creditors	348	1,594

11 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 10.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due to or from Aberdeen Standard Fund Managers Limited at the year end are disclosed in notes 8 and 10.

12 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	6,484,404	244,442	(1,014,079)	(126,442)	5,588,325
Institutional accumulation	7,859,018	95,155	(1,179,575)	94,482	6,869,080
Retail income	2,700,187	601,806	(1,104,863)	(10,918)	2,186,212
Institutional income	30,607,423	3,345,979	(7,171,358)	–	26,782,044
Standard Life accumulation	2,042,880	202,979	(398,313)	–	1,847,546
Platform 1 accumulation	9,938,878	476,220	(2,381,935)	34,367	8,067,530
Platform 1 income	2,378,079	200,437	(643,355)	9,412	1,944,573

13 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Bonds	33,424	1,173	–	36,069	–	–
Collective Investment Schemes	–	303	–	–	608	–
Derivatives	18	237	–	17	159	–
Total investment assets	33,442	1,713	–	36,086	767	–
Derivatives	(9)	(121)	–	(15)	(97)	–
Total investment liabilities	(9)	(121)	–	(15)	(97)	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

14 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

Value at Risk (VaR) is a measure of the maximum potential loss to the Fund due to market risk. More particularly, VaR measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

2020	Minimum	Maximum	Average
VaR 99% 1 Month	4.19%	4.91%	4.57%

2019	Minimum	Maximum	Average
VaR 99% 1 Month	3.84%	5.37%	4.23%

At the year end date, there was a 1% chance of the portfolio value falling (or rising) more than 4.87%, £1,706,000 (2019: 3.95%, £1,434,000) in one month period.

This calculation is generally determined by the use of an industry recognised medium term risk model, typically based on 3-5 year history. The method assumes normal market conditions and that the portfolio remains unchanged.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets/(liabilities)	
	2020 £'000	2019 £'000
Australian Dollar	17	–
Canadian Dollar	38	10
Euro	(67)	47
Swedish Krona	49	(19)
US Dollar	(9)	(1)

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets/ (liabilities) £'000	Fixed rate financial assets/ (liabilities) £'000	Financial assets/ (liabilities) not carrying interest £'000	Total £'000
2020				
Currency				
UK Sterling	345	34,596	(111)	34,830
Australian Dollar	-	-	17	17
Canadian Dollar	47	-	(9)	38
Euro	(68)	-	1	(67)
Swedish Krona	49	-	-	49
US Dollar	(9)	-	-	(9)
2019				
Currency				
UK Sterling	680	35,600	25	36,305
Canadian Dollar	-	-	10	10
Euro	26	(19)	40	47
Swedish Krona	13	(32)	-	(19)
US Dollar	453	-	(454)	(1)

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund.

	Bid market value 2020 £'000	Bid market value 2019 £'000
Credit Rating Analysis		
Investment Grade Bonds	34,597	36,069
Total Value of Bonds	34,597	36,069

e. Financial Derivatives Instrument Risk

At the year end the Fund held derivatives for the purposes of efficient portfolio management or to meet the Fund's investment objectives. These types of transaction can introduce market exposure greater than the market value of the instrument. These transactions exchange benefits with a third party at a future date creating both counterparty and concentration risk. The Investment Adviser's policies for managing these risks are outlined in the Fund's prospectus.

At the balance sheet date the Fund had the following exposures:

Market Exposure	2020 £'000	2019 £'000
Forward Currency Contracts	-	842
Futures	6,980	17,786
Interest Rate Swaps	40,351	15,583
Inflation Swaps	3,717	1,851
Total Market Exposure	51,048	36,062

The total market exposure is the sum of the notional derivative contracts on a gross basis with no offsetting.

Counterparty Exposure

Derivative instruments involve an agreement to exchange a benefit at a future date. This introduces counterparty risk where an agreement is bilateral (between two parties) and concentration risk where a clearing broker operates on an exchange. Where the counterparty or clearing broker is not solvent the market exposure obtained would be lost.

At 29 February 2020 the underlying exposure for each category of derivatives was as follows:

Counterparty or clearer	2020			2019		
	Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000	Collateral (held)/ pledged £'000	Margin at clearing broker £'000	Market value of derivatives £'000
Goldman Sachs	241	(58)	126	170	13	40
NatWest Markets	–	–	–	–	–	26
UBS	–	–	–	–	–	(2)
Total	241	(58)	126	170	13	64

Margin exchanged or collateral held or pledged is in the form of high quality liquid assets e.g. cash/gilts. Positions are fully collateralised at all times. Restrictions are placed on the right of either party to reuse collateral assets.

f. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

15 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional Accumulation' was 90.15p. The Net Asset Value of share class 'Institutional Accumulation' as at 12 noon on 17 June 2020 was 93.91p. This represents an increase of 4.17% from the year-end value. The other share classes in the Fund have moved by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	0.1656	-	0.1656*	0.0172
Group 2	0.0291	0.1365	0.1656*	0.0172
Institutional accumulation				
Group 1	0.3332	-	0.3332*	0.1872
Group 2	0.0902	0.2430	0.3332*	0.1872
Retail income				
Group 1	0.1047	-	0.1047**	0.0109
Group 2	0.0331	0.0716	0.1047**	0.0109
Institutional income				
Group 1	0.2000	-	0.2000**	0.1129
Group 2	0.1015	0.0985	0.2000**	0.1129
Standard Life accumulation				
Group 1	0.5395	-	0.5395*	0.4247
Group 2	-	-	-	-
Platform 1 accumulation				
Group 1	0.2292	-	0.2292*	0.1236
Group 2	0.1371	0.0921	0.2292*	0.1236
Platform 1 income				
Group 1	0.2153	-	0.2153**	0.1165
Group 2	0.1150	0.1003	0.2153**	0.1165

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the six months ended 29 February 2020

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.0971	-	0.0971*	0.0876
Group 2	0.0713	0.0258	0.0971*	0.0876
Institutional accumulation				
Group 1	0.3078	-	0.3078*	0.2584
Group 2	0.0944	0.2134	0.3078*	0.2584
Retail income				
Group 1	0.0602	-	0.0602**	0.0555
Group 2	0.0428	0.0174	0.0602**	0.0555
Institutional income				
Group 1	0.1630	-	0.1630**	0.1559
Group 2	0.1016	0.0614	0.1630**	0.1559
Standard Life accumulation				
Group 1	0.4598	-	0.4598*	0.5000
Group 2	0.2833	0.1765	0.4598*	0.5000
Platform 1 accumulation				
Group 1	0.2016	-	0.2016*	0.1763
Group 2	0.1348	0.0668	0.2016*	0.1763
Platform 1 income				
Group 1	0.1884	-	0.1884**	0.1658
Group 2	0.1147	0.0737	0.1884**	0.1658

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Growth Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in UK equities (company shares).

Performance Target: To achieve the return of the FTSE All-Share Index, plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA UK All Companies Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated, or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the Fund's risk constraints, the intention is that the Fund's performance profile will not deviate significantly from that of the FTSE All-Share Index over the longer term.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance review

Over the period under review, the Fund returned -4.3%. This compared to a return of 1.2% for our performance target (the FTSE All-Share Index +3%).

Construction and services group Kier weighed on the Fund's return. A profit warning on the back of weak sales, and the need to reinvest in the business, pulled shares lower. This led to concern about its debt level and questions over its working capital. Despite significant liquidity, the business was priced to go bust. The share price of Fever-Tree Drinks, the premium mixer drinks business, weakened after the company issued a disappointing trading statement. Investors were surprised by a strategy change in North America. This is expected to lead to slower earnings growth. Tullow Oil was another prominent detractor from performance. The company was hit in quick succession by two negative developments – low oil quality from a major discovery that questioned its viability, and falling output from a major asset. The business was forced to scrap its dividend given the negative effect on cashflow. This resulted in the departure of its CEO and head of exploration. Indivior shares fell despite positive sales data. The pharmaceutical specialist continued to suffer from negative headlines about the US opioid crisis. Elsewhere, Kosmos Energy underperformed in tandem with a falling oil price, which dropped on global recession fears from the spread of the coronavirus.

On a more positive note, animal genetics specialist Genus was the top positive contributor in the Fund. Its products were in demand as Chinese farmers rebuilt their pig herds, which were ravaged by African swine fever in 2019. Convatec Group's shares climbed after management reiterated full-year profit guidance. The wound care specialist pleased investors when it demonstrated a clear plan to improve operational performance. Bellway, the housebuilder, was rewarded for delivering a record number of new homes. Investors expect strong growth in sales as demand outstrips supply. The ongoing availability of Help to Buy and low interest rates is supportive. Another positive was fashion retailer Boohoo. Investors marked up the shares after it increased full-year sales forecast. The company's core brands have turned in an impressive performance, allowing the business to invest in smaller brands to drive future growth.

Activity

AstraZeneca was added to the Fund. We believe investors are underestimating the value of its new cancer treatments. We purchased a stake in Energean Oil over the period. We participated in its capital-raising exercise so that the business could buy the gas-focused exploration assets of Italy's Edison. This should enhance the company's earnings. We also added travel group TUI, as the Thomas Cook liquidation raises the prospect it will gain market share. Other notable additions were Network International, the digital payments solutions group, and gold miner Centamin.

Activity (continued)

On sales, we sold banking group HSBC. Headwinds have emerged from lower trade volumes, lower bond yields and higher capital requirements. We reduced Aviva as its strategic direction is becoming uncertain in light of its collection of relatively mediocre assets. The building materials supplier Ferguson was sold as leading indicators for its business deteriorated in the US, its biggest market. Moreover, much of the necessary firm's restructuring has now been achieved. We decided to take a profit in Bellway as it has delivered significant outperformance in the second half of 2019. While we continue to like the UK housebuilding sector, it has enjoyed a strong run. We felt it was sensible to moderate the Fund's exposure to the industry. Lastly, we reduced Prudential. The life insurer is exposed to some near-term earnings risk from Asia's economic woes. Other sales included satellite communications specialist Inmarsat and semiconductor manufacturer IQE.

Outlook and Strategy

The market remains highly volatile, with a significant dent to global growth from the spread of the coronavirus. In some instances we believe investors have overreacted, by assuming that solvent businesses stand a significant chance of going bankrupt from the economic hiatus caused by the virus; we doubt that governments and central banks will allow this to happen. Nevertheless, in a more general sense the market sell-off is entirely understandable. Therefore, we are focusing our efforts on searching for businesses whose share prices have been hit hard but which have robust balance sheets with strong liquidity. This should allow these companies the benefit of time to trade through the difficulties of the coming months and survive the economic crisis.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	334.26	336.66	320.79
Return before operating charges*	(11.50)	2.17	20.31
Operating charges	(4.59)	(4.57)	(4.44)
Return after operating charges*	(16.09)	(2.40)	15.87
Distributions	(9.19)	(8.99)	(7.45)
Retained distributions on accumulation shares	9.19	8.99	7.45
Closing net asset value per share	318.17	334.26	336.66
 * after direct transaction costs of:	 0.16	 0.48	 0.77
Performance			
Return after charges	(4.81%)	(0.71%)	4.95%
Other information			
Closing net asset value (£'000)	79,274	89,945	97,856
Closing number of shares	24,915,909	26,908,178	29,067,158
Operating charges	1.32%	1.32%	1.32%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	367.1	375.9	361.5
Lowest share price	318.4	305.0	318.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	393.04	394.00	373.67
Return before operating charges*	(13.72)	2.50	23.67
Operating charges	(3.48)	(3.46)	(3.34)
Return after operating charges*	(17.20)	(0.96)	20.33
Distributions	(12.75)	(12.45)	(10.54)
Retained distributions on accumulation shares	12.75	12.45	10.54
Closing net asset value per share	375.84	393.04	394.00
 * after direct transaction costs of:	 0.19	 0.57	 0.90
Performance			
Return after charges	(4.38%)	(0.24%)	5.44%
Other information			
Closing net asset value (£'000)	77,629	112,341	114,211
Closing number of shares	20,655,021	28,582,390	28,987,527
Operating charges	0.85%	0.86%	0.85%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	433.4	440.3	422.8
Lowest share price	376.1	358.4	371.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	65.84	68.26	66.53
Return before operating charges*	(2.39)	0.35	4.23
Operating charges	(0.02)	(0.02)	(0.02)
Return after operating charges*	(2.41)	0.33	4.21
Distributions	(2.72)	(2.75)	(2.48)
Closing net asset value per share	60.71	65.84	68.26
 * after direct transaction costs of:	 0.03	 0.10	 0.16
Performance			
Return after charges	(3.66%)	0.48%	6.33%
Other information			
Closing net asset value (£'000)	1	— [^]	1
Closing number of shares	1,485	137	2,000
Operating charges	0.02%	0.03%	0.02%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	73.08	76.44	75.83
Lowest share price	60.63	62.42	66.18

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset of Standard Life income is £90.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	128.99	128.34	120.81
Return before operating charges*	(4.58)	0.79	7.66
Operating charges	(0.14)	(0.14)	(0.13)
Return after operating charges*	(4.72)	0.65	7.53
Distributions	(5.21)	(5.06)	(4.37)
Retained distributions on accumulation shares	5.21	5.06	4.37
Closing net asset value per share	124.27	128.99	128.34
 * after direct transaction costs of:	 0.06	 0.18	 0.29
Performance			
Return after charges	(3.66%)	0.51%	6.23%
Other information			
Closing net asset value (£'000)	1,513	1,751	1,875
Closing number of shares	1,217,187	1,357,364	1,460,721
Operating charges	0.10%	0.11%	0.10%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	143.2	143.7	137.6
Lowest share price	124.4	117.5	120.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	126.13	122.32	115.52
Return before operating charges*	(5.93)	4.33	7.29
Operating charges	(0.53)	(0.52)	(0.49)
Return after operating charges*	(6.46)	3.81	6.80
Distributions	(4.88)	–	(3.80)
Retained distributions on accumulation shares	4.88	–	3.80
Closing net asset value per share	119.67	126.13	122.32
 * after direct transaction costs of:	 0.06	 0.18	 0.28
Performance			
Return after charges	(5.12%)	3.11%	5.89%
Other information			
Closing net asset value (£'000)	1	– [^]	3
Closing number of shares	790	76	2,000
Operating charges	0.40%	0.40%	0.40%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	137.9	136.8	131.2
Lowest share price	119.8	111.6	114.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional regulated accumulation is £97.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	79.70	79.94	75.85
Return before operating charges*	(2.77)	0.50	4.81
Operating charges	(0.75)	(0.74)	(0.72)
Return after operating charges*	(3.52)	(0.24)	4.09
Distributions	(2.54)	(2.48)	(2.10)
Retained distributions on accumulation shares	2.54	2.48	2.10
Closing net asset value per share	76.18	79.70	79.94
 * after direct transaction costs of:	 0.04	 0.11	 0.18
Performance			
Return after charges	(4.42%)	(0.30%)	5.39%
Other information			
Closing net asset value (£'000)	8,489	9,928	11,368
Closing number of shares	11,143,484	12,455,683	14,220,474
Operating charges	0.90%	0.91%	0.90%
Direct transaction costs	0.05%	0.14%	0.23%
Prices			
Highest share price	87.86	89.33	85.79
Lowest share price	76.23	72.68	75.35

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional A accumulation ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	60.88	58.17
Return before operating charges*	6.53	3.68
Operating charges	(1.02)	(0.97)
Return after operating charges*	5.51	2.71
Distributions	–	(1.18)
Retained distributions on accumulation shares	–	1.18
Redemption value as at 14 June 2018	66.39	–
Closing net asset value per share	–	60.88
 * after direct transaction costs of:	 0.09	 0.14
Performance		
Return after charges	9.05%	4.66%
Other information		
Closing net asset value (£'000)	–	1
Closing number of shares	–	2,200
Operating charges	1.61%	1.60%
Direct transaction costs	0.14%	0.23%
Prices		
Highest share price	67.94	65.41
Lowest share price	58.74	57.74

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional A accumulation share class closed on 14 June 2018.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (97.02%)		165,992	99.45
Basic Materials (9.06%)		13,705	8.21
119,501	Anglo American	2,141	1.28
239,913	BHP	3,402	2.05
611,242	Centamin	788	0.47
1,098,074	Glencore	2,122	1.27
88,763	Johnson Matthey	2,228	1.33
83,829	Rio Tinto	3,024	1.81
Consumer Goods (15.29%)		29,441	17.66
68,732	Associated British Foods	1,549	0.93
87,270	Bellway	3,248	1.95
589,062	Boohoo.com++	1,714	1.03
258,836	British American Tobacco	7,926	4.75
69,399	Coca-Cola HBC	1,716	1.03
385,725	Countryside Properties	1,813	1.09
536,356	Dixons Carphone	652	0.39
77,562	Fever Tree Drinks++	978	0.58
86,758	Imperial Brands	1,349	0.81
797,195	McCarthy & Stone	1,067	0.64
96,786	Reckitt Benckiser	5,536	3.32
147,585	Redrow	1,100	0.66
255,922	SuperGroup	793	0.48
Consumer Services (5.88%)		12,982	7.78
682,402	888 Holdings	777	0.47
10,304	ASOS++	309	0.18
468,606	Cineworld	727	0.45
205,484	GVC	1,622	0.97
25,799	Just Eat Takeaway.com	1,757	1.05
295,034	RELX	5,508	3.30
273,668	Rightmove	1,693	1.01
98,226	TUI	589	0.35
Financials (22.70%)		35,599	21.32
337,783	Ashmore	1,561	0.94
1,996,976	Barclays	2,970	1.78
166,988	Close Brothers	2,141	1.28
345,015	Hastings	562	0.34
1,301,307	HSBC	6,816	4.08
764,961	John Laing Group	2,572	1.54

Holding	Investment	Market value £'000	Percentage of total net assets
2,127,395	Just	1,543	0.92
38,600	London Stock Exchange	2,924	1.75
411,912	M&G	818	0.49
250,502	Onesavings Bank	1,006	0.60
369,850	Phoenix	2,556	1.53
411,913	Prudential	5,217	3.13
135,005	St James's Place	1,370	0.82
630,034	Standard Chartered	3,543	2.12
Health Care (10.44%)		25,321	15.16
111,250	AstraZeneca	7,557	4.52
146,257	Clinigen++	1,049	0.63
1,215,056	ConvaTec	2,490	1.49
83,227	Dechra Pharmaceuticals	2,201	1.32
108,919	Genus	3,438	2.06
515,277	GlaxoSmithKline	8,049	4.82
1,241,821	Indivior	537	0.32
Industrials (10.29%)		15,309	9.17
665,637	BAE Systems	4,048	2.43
146,228	Bodycote	1,116	0.67
264,492	IWG	930	0.56
325,015	Kier	363	0.22
235,726	Network International	1,264	0.76
351,125	Polypipe	1,875	1.12
349,443	Rentokil	1,691	1.01
259,819	Rolls-Royce	1,610	0.96
497,925	Smith (DS)	1,564	0.93
200,704	Vesuvius	848	0.51
Oil & Gas (17.24%)		22,521	13.49
2,034,411	BP	8,058	4.83
622,778	Cairn Energy	866	0.52
95,120	Energear Oil & Gas	621	0.37
280,211	Hunting	891	0.53
272,737	Kosmos Energy	643	0.39
346,677	Royal Dutch Shell 'A'	5,759	3.45
226,809	Royal Dutch Shell 'B'	3,773	2.26
521,675	Wood Group	1,910	1.14

Holding	Investment	Market value £'000	Percentage of total net assets
Technology (0.51%)		-	-
Telecommunications (3.68%)		6,058	3.63
98,720	Telecom Plus	1,315	0.79
3,530,873	Vodafone	4,743	2.84
Utilities (1.93%)		5,056	3.03
385,911	National Grid	3,792	2.27
133,860	United Utilities	1,264	0.76
Collective Investment Schemes (2.59%)		700	0.42
700	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	700	0.42
Total investment assets		166,692	99.87
Net other assets		215	0.13
Total Net Assets		166,907	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	2	(11,625)	(7,126)
Revenue	4	8,549	8,922
Expenses	5	(2,215)	(2,366)
Interest payable and similar charges		(1)	(1)
Net revenue before taxation		6,333	6,555
Taxation	6	(71)	(61)
Net revenue after taxation		6,262	6,494
Total return before distributions		(5,363)	(632)
Distributions	7	(6,262)	(6,494)
Change in net assets attributable to shareholders from investment activities		(11,625)	(7,126)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	213,965	225,315
Amounts receivable on the issue of shares	1,461	6,236
Amounts payable on the cancellation of shares	(42,163)	(16,840)
	(40,702)	(10,604)
Dilution adjustment	–	23
Change in net assets attributable to shareholders from investment activities (see above)	(11,625)	(7,126)
Retained distribution on accumulation shares	5,269	6,357
Closing net assets attributable to shareholders	166,907	213,965

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		166,692	213,139
Current assets:			
Debtors	8	750	1,143
Cash and bank balances		5	1
		755	1,144
Total assets		167,447	214,283
Liabilities:			
Creditors	9	(540)	(318)
		(540)	(318)
Total liabilities		(540)	(318)
Net assets attributable to shareholders		166,907	213,965

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(11,619)	(7,124)
Transaction charges	(6)	(2)
Net capital losses	(11,625)	(7,126)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	20,734	51,821	48,589	59,399
Collective investment schemes	37,447	40,213	42,282	37,295
Corporate actions	–	2,096	2,237	1,982
Trades in the year before transaction costs	58,181	94,130	93,108	98,676
Commissions				
Equities	11	37	(17)	(37)
Total commissions	11	37	(17)	(37)
Taxes				
Equities	71	239	–	–
Total taxes	71	239	–	–
Total transaction costs	82	276	(17)	(37)
Total net trades in the year after transaction costs	58,263	94,406	93,091	98,639

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.05	0.07	0.03	0.06
Taxes				
Equities	0.34	0.46	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.01	0.03
Taxes	0.03	0.11

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.10% (2019: 0.07%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	7,808	7,963
Overseas dividends	689	882
Taxable distributions on offshore funds	26	6
Bank interest	–	6
Property income distributions	26	65
Total revenue	8,549	8,922

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	2,068	2,203
Dealing charge	5	5
Registration fees	97	103
	2,170	2,311
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	30	33
Safe custody fee	5	13
	35	46
Other:		
Professional fees	1	–
Audit fee	9	9
	10	9
Total expenses	2,215	2,366

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	71	61
Total current tax	71	61
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	6,333	6,555
Corporation tax at 20% (2019: 20%)	1,267	1,311
Effects of:		
Revenue not subject to taxation	(1,700)	(1,769)
Overseas taxes	71	61
Excess allowable expenses	433	458
Total tax charge for year (note 6a)	71	61

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £12,348,000 (2019: £11,915,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	5,269	6,357
Add: Income deducted on cancellation of shares	1,028	283
Deduct: Income received on issue of shares	(35)	(146)
Net distribution for the year	6,262	6,494

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	3	–
Accrued revenue	706	1,106
Foreign withholding tax recoverable	41	37
Total debtors	750	1,143

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	288	134
Purchases awaiting settlement	84	–
Accrued expenses payable to ACD	154	168
Accrued expenses payable to the Depositary or associates of the Depositary	3	8
Other accrued expenses	11	8
Total creditors	540	318

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	26,908,178	290,906	(2,141,798)	(141,377)	24,915,909
Institutional accumulation	28,582,390	59,675	(8,029,566)	42,522	20,655,021
Standard Life income	137	1,348	–	–	1,485
Standard Life accumulation	1,357,364	3,394	(143,571)	–	1,217,187
Institutional regulated accumulation	76	714	–	–	790
Platform 1 accumulation	12,455,683	264,959	(1,958,862)	381,704	11,143,484

12 Fair Value Hierarchy

	2020 £'000 Level 1	2020 £'000 Level 2	2020 £'000 Level 3	2019 £'000 Level 1	2019 £'000 Level 2	2019 £'000 Level 3
Fair value of investment assets						
Equities	165,992	–	–	207,604	–	–
Collective Investment Schemes	–	700	–	–	5,535	–
Total investment assets	165,992	700	–	207,604	5,535	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £8,335,000 (2019: £10,657,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £61,000 (2019: £112,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate effect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	5	15
US Dollar	1,222	2,219

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	705	164,975	165,680
Euro	–	5	5
US Dollar	–	1,222	1,222
2019			
Currency			
UK Sterling	5,536	206,195	211,731
Euro	–	15	15
US Dollar	–	2,219	2,219

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Accumulation' was 318.17p. The Net Asset Value of share class 'Retail Accumulation' as at 12 noon on 17 June 2020 was 308.11p. This represents a decrease of 3.16% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution Table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	9.1885	-	9.1885*	8.9949
Group 2	4.0125	5.1760	9.1885*	8.9949
Institutional accumulation				
Group 1	12.7456	-	12.7456*	12.4490
Group 2	5.7400	7.0056	12.7456*	12.4490
Standard Life income				
Group 1	2.7236	-	2.7236**	2.7523
Group 2	0.8497	1.8739	2.7236**	2.7523
Standard Life accumulation				
Group 1	5.2055	-	5.2055*	5.0599
Group 2	1.7134	3.4921	5.2055*	5.0599
Institutional regulated accumulation				
Group 1	4.8828	-	4.8828*	-
Group 2	1.3878	3.4950	4.8828*	-
Platform 1 accumulation				
Group 1	2.5426	-	2.5426*	2.4842
Group 2	1.2009	1.3417	2.5426*	2.4842

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK High Alpha Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in UK equities (company shares).

Performance Target: To achieve the return of the FTSE 350 Index plus 4% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA UK All Companies Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level, with sector weightings within the portfolio typically a by-product of the underlying stock exposure.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the FTSE 350 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 10%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the FTSE 350 Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned -8.6%. This compared to a return of 1.9% for our performance target (the FTSE 350 Index +4%).

Our holding in US-based litigation-finance firm Burford Capital had a negative impact on performance. This came after an activist short seller published a report claiming that the group's strategy and financials were fraudulent. Glencore was also weak, falling amid concerns about industrial metals demand from slower global growth. Elsewhere, Kosmos Energy underperformed in tandem with a falling oil price, which dropped on global recession fears. Indivior fell despite positive sales data. The pharmaceutical specialist continued to suffer from negative headlines on the US opioid crisis and its related US government indictment.

Online gaming and betting business GVC performed well. The UK general election outcome favoured the company, with shares getting an additional boost from healthy earnings growth. Another positive was fashion retailer Boohoo. Investors marked up its shares after an increased full-year sales forecast. The company's core brands have turned in an impressive performance, allowing the business to invest in smaller brands to drive future growth. Our holding in LSE was also helpful. Investors liked the earnings-enhancing acquisition of financial data business Refinitiv.

Activity

The Fund started a new holding in SSE after it decided to divest its domestic energy supply business. The company now has an attractive mix of gas and telecoms networks, as well as renewable assets with appealing growth opportunities. We increased the Fund's exposure to antibody testing group Abcam, as its increased focus on mergers and acquisitions is expected to supplement organic growth over the medium term. We started a position in travel group TUI. Various external factors, such as issues with the

Boeing 737 Max and Thomas Cook's collapse, have fuelled negativity toward the sector. However, we see an opportunity for the company to gain market share. We also established a holding in speciality chemicals business Elementis. The share price had been weak after an unexpected acquisition alienated some shareholders. However, we see the company's rationale behind the move.

In terms of sales, we removed merchant banking group Close Brothers Group. This reflected our concerns about declining interest rates weighing on profit margins from falling mortgage income. We also sold insurer Aviva, as we believe that the business lacks a clear strategy. The disposal of its Asian assets should be seen as positive, but its insurance and investment businesses continue to struggle. We exited online retailer ASOS after strong performance. The company's full-year results showed improvement across the board, but we felt that the higher valuation was ignoring a lack of visibility in its margins. Lastly, we removed Rolls-Royce, as we believe that the deteriorating demand environment has been compounded by cost overruns on various platforms.

Outlook and Strategy

The market remains highly volatile, with a significant dent to global growth from the spread of the coronavirus. In some instances we believe investors have overreacted, by assuming that solvent businesses stand a significant chance of going bankrupt from the economic hiatus caused by the virus; we doubt that governments and central banks will allow this to happen. Nevertheless, in a more general sense the market sell-off is entirely understandable. Therefore, we are focusing our efforts on searching for businesses whose share prices have been hit hard but which have robust balance sheets with strong liquidity. This should allow these companies the benefit of time to trade through the difficulties of the coming months and survive the economic crisis.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.

All investment involves risk. This Fund offers no guarantee against loss or that the fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	210.53	221.35	201.76
Return before operating charges*	(15.95)	(7.89)	22.42
Operating charges	(2.85)	(2.93)	(2.83)
Return after operating charges*	(18.80)	(10.82)	19.59
Distributions	(7.37)	(9.31)	(6.10)
Retained distributions on accumulation shares	7.37	9.31	6.10
Closing net asset value per share	191.73	210.53	221.35
 * after direct transaction costs of:	 0.65	 0.74	 1.29
Performance			
Return after charges	(8.93%)	(4.89%)	9.71%
Other information			
Closing net asset value (£'000)	64,672	81,896	57,513
Closing number of shares	33,730,227	38,900,539	25,982,641
Operating charges	1.33%	1.32%	1.32%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	226.2	247.4	235.9
Lowest share price	191.4	190.8	201.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	215.02	225.02	204.14
Return before operating charges*	(16.38)	(8.07)	22.73
Operating charges	(1.87)	(1.93)	(1.85)
Return after operating charges*	(18.25)	(10.00)	20.88
Distributions	(7.54)	(9.41)	(6.19)
Retained distributions on accumulation shares	7.54	9.41	6.19
Closing net asset value per share	196.77	215.02	225.02
 * after direct transaction costs of:	 0.67	 0.76	 1.31
Performance			
Return after charges	(8.49%)	(4.44%)	10.23%
Other information			
Closing net asset value (£'000)	3,485	100,290	108,606
Closing number of shares	1,771,084	46,642,694	48,265,529
Operating charges	0.86%	0.85%	0.85%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	231.9	251.8	239.7
Lowest share price	196.4	194.7	203.9

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	93.60	101.87	95.55
Return before operating charges*	(6.88)	(3.33)	10.50
Operating charges	(1.24)	(1.37)	(1.32)
Return after operating charges*	(8.12)	(4.70)	9.18
Distributions	(3.24)	(3.57)	(2.86)
Closing net asset value per share	82.24	93.60	101.87
 * after direct transaction costs of:	 0.28	 0.35	 0.61
Performance			
Return after charges	(8.68%)	(4.61%)	9.61%
Other information			
Closing net asset value (£'000)	7,888	9,863	47,248
Closing number of shares	9,591,179	10,537,298	46,379,591
Operating charges	1.33%	1.32%	1.32%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	98.05	113.9	109.0
Lowest share price	82.07	85.26	94.49

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	68.23	74.42	69.47
Return before operating charges*	(5.06)	(2.49)	7.65
Operating charges	(0.58)	(0.63)	(0.62)
Return after operating charges*	(5.64)	(3.12)	7.03
Distributions	(2.36)	(3.07)	(2.08)
Closing net asset value per share	60.23	68.23	74.42
 * after direct transaction costs of:	 0.21	 0.25	 0.44
Performance			
Return after charges	(8.27%)	(4.19%)	10.12%
Other information			
Closing net asset value (£'000)	372	517	702
Closing number of shares	618,174	758,971	942,915
Operating charges	0.86%	0.85%	0.85%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	71.52	83.26	79.54
Lowest share price	60.10	62.10	68.81

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	110.14	118.86	110.05
Return before operating charges*	(8.20)	(3.93)	12.18
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	(8.23)	(3.96)	12.15
Distributions	(3.80)	(4.76)	(3.34)
Closing net asset value per share	98.11	110.14	118.86
 * after direct transaction costs of:	 0.34	 0.41	 0.74
Performance			
Return after charges	(7.47%)	(3.33%)	11.04%
Other information			
Closing net asset value (£'000)	1	^	7,939
Closing number of shares	949	99	6,679,128
Operating charges	0.03%	0.02%	0.02%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	116.1	133.2	126.9
Lowest share price	97.90	101.3	109.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^ The closing net asset value of Standard Life income is £109.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	255.43	265.31	238.89
Return before operating charges*	(19.65)	(9.60)	26.68
Operating charges	(0.28)	(0.28)	(0.26)
Return after operating charges*	(19.93)	(9.88)	26.42
Distributions	(8.98)	(11.13)	(7.26)
Retained distributions on accumulation shares	8.98	11.13	7.26
Closing net asset value per share	235.50	255.43	265.31
 * after direct transaction costs of:	 0.80	 0.90	 1.54
Performance			
Return after charges	(7.80%)	(3.72%)	11.06%
Other information			
Closing net asset value (£'000)	403	438	512
Closing number of shares	171,291	171,474	193,167
Operating charges	0.11%	0.10%	0.10%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	277.3	297.3	282.3
Lowest share price	235.1	231.0	239.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	97.31	101.89	92.48
Return before operating charges*	(7.43)	(3.65)	10.30
Operating charges	(0.89)	(0.93)	(0.89)
Return after operating charges*	(8.32)	(4.58)	9.41
Distributions	(3.41)	(4.26)	(2.80)
Retained distributions on accumulation shares	3.41	4.26	2.80
Closing net asset value per share	88.99	97.31	101.89
 * after direct transaction costs of:	 0.30	 0.34	 0.60
Performance			
Return after charges	(8.55%)	(4.50%)	10.18%
Other information			
Closing net asset value (£'000)	6,563	9,188	10,594
Closing number of shares	7,375,136	9,441,567	10,397,625
Operating charges	0.91%	0.90%	0.90%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	104.9	114.0	108.5
Lowest share price	88.83	88.12	92.34

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	78.83	86.02	80.34
Return before operating charges*	(5.84)	(2.88)	8.85
Operating charges	(0.71)	(0.77)	(0.76)
Return after operating charges*	(6.55)	(3.65)	8.09
Distributions	(2.73)	(3.54)	(2.41)
Closing net asset value per share	69.55	78.83	86.02
 * after direct transaction costs of:	 0.24	 0.29	 0.51
Performance			
Return after charges	(8.31%)	(4.24%)	10.07%
Other information			
Closing net asset value (£'000)	1,428	1,799	2,058
Closing number of shares	2,052,670	2,282,148	2,392,256
Operating charges	0.91%	0.90%	0.90%
Direct transaction costs	0.31%	0.34%	0.60%
Prices			
Highest share price	82.62	96.23	91.95
Lowest share price	69.40	71.75	79.56

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (97.46%)		83,158	98.05
Basic Materials (7.53%)		6,233	7.35
723,973	Elementis	733	0.87
1,342,897	Glencore	2,595	3.06
49,598	Mondi	774	0.91
59,066	Rio Tinto	2,131	2.51
Consumer Goods (20.29%)		18,584	21.91
37,196	Bellway	1,384	1.63
653,837	Boohoo.com++	1,902	2.24
137,618	British American Tobacco	4,214	4.97
75,330	Coca-Cola HBC	1,863	2.20
116,259	Countryside Properties	546	0.64
720,357	Dixons Carphone	876	1.03
257,965	Inchcape	1,487	1.75
97,397	Persimmon	2,764	3.26
39,081	Reckitt Benckiser	2,235	2.64
423,669	SuperGroup	1,313	1.55
Consumer Services (8.44%)		11,009	12.98
1,378,496	888 Holdings	1,570	1.85
756,243	Cineworld	1,173	1.38
318,772	GVC	2,516	2.97
35,843	Just Eat Takeaway.com	2,441	2.88
16,620	Paddy Power Betfair	1,374	1.62
52,395	RELX	978	1.15
159,531	TUI	957	1.13
Financials (23.96%)		14,266	16.82
405,795	Capital & Counties Properties	803	0.95
72,936	Close Brothers	935	1.10
194,632	HSBC	1,020	1.20
264,614	John Laing Group	890	1.05
1,946,088	Just Retirement	1,412	1.66
34,767	London Stock Exchange	2,633	3.10
241,473	Prudential	3,058	3.62
899,524	Royal Bank of Scotland	1,607	1.89
339,258	Standard Chartered	1,908	2.25

Holding	Investment	Market value £'000	Percentage of total net assets
Health Care (6.10%)		9,856	11.62
128,551	Abcam++	1,485	1.75
35,032	AstraZeneca	2,380	2.81
545,705	ConvaTec	1,118	1.32
184,854	GlaxoSmithKline	2,887	3.40
256,718	Hutchison China MediTech++	899	1.06
1,496,592	Indivior	647	0.76
46,936	NMC Healthcare	440	0.52
Industrials (13.02%)		8,745	10.31
62,542	Bodycote	477	0.56
85,909	CRH	2,266	2.67
320,352	Network International	1,717	2.03
502,017	Smith (DS)	1,577	1.86
327,791	Vesuvius	1,385	1.63
101,377	Weir	1,323	1.56
Oil & Gas (15.85%)		10,898	12.85
858,015	BP	3,399	4.01
229,624	Energean Oil & Gas	1,499	1.77
326,407	Kosmos Energy	730	0.86
269,662	Royal Dutch Shell 'B'	4,486	5.29
214,225	Wood Group (John)	784	0.92
Telecommunications (2.27%)		-	-
Utilities (0.00%)		3,567	4.21
1,529,092	Centrica	1,103	1.30
161,228	SSE	2,464	2.91
Collective Investment Schemes (1.28%)		1,595	1.88
1,595	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	1,595	1.88
Total investment assets		84,753	99.93
Net other assets		59	0.07
Total Net Assets		84,812	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	2	(8,363)	(18,599)
Revenue	4	6,170	9,691
Expenses	5	(1,848)	(2,391)
Interest payable and similar charges		(1)	-
Net revenue before taxation		4,321	7,300
Taxation	6	(42)	(5)
Net revenue after taxation		4,279	7,295
Total return before distributions		(4,084)	(11,304)
Distributions	7	(6,088)	(9,634)
Change in net assets attributable to shareholders from investment activities		(10,172)	(20,938)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	203,991	235,172
Amounts receivable on the issue of shares	1,282	47,962
Amounts payable on the cancellation of shares	(115,690)	(66,443)
	(114,408)	(18,481)
Dilution adjustment	179	48
Change in net assets attributable to shareholders from investment activities (see above)	(10,172)	(20,938)
Retained distribution on accumulation shares	5,221	8,189
Unclaimed distributions	1	1
Closing net assets attributable to shareholders	84,812	203,991

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		84,753	201,416
Current assets:			
Debtors	8	335	2,949
Cash and bank balances		1	1
		336	2,950
Total assets		85,089	204,366
Liabilities:			
Creditors	9	(223)	(312)
Distribution payable		(54)	(63)
		(277)	(375)
Total liabilities		(277)	(375)
Net assets attributable to shareholders		84,812	203,991

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(8,367)	(18,598)
Forward currency contracts	5	-
Other gains	5	2
Transaction charges	(6)	(3)
Net capital losses	(8,363)	(18,599)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	92,640	153,457	200,034	156,765
Collective investment schemes	59,566	90,617	60,576	90,526
Corporate actions	-	-	406	-
Trades in the year before transaction costs	152,206	244,074	261,016	247,291
Commissions				
Equities	54	108	(95)	(105)
Total commissions	54	108	(95)	(105)
Taxes				
Equities	365	560	-	-
Total taxes	365	560	-	-
Total transaction costs	419	668	(95)	(105)
Total net trades in the year after transaction costs	152,625	244,742	260,921	247,186

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.07	0.05	0.07
Taxes				
Equities	0.39	0.36	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.09	0.10
Taxes	0.22	0.24

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.16% (2019: 0.17%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	5,891	9,590
Overseas dividends	237	71
Taxable distributions on offshore funds	41	7
Bank interest	1	23
Total revenue	6,170	9,691

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,737	2,235
Dealing charge	5	6
Registration fees	67	98
	1,809	2,339
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	25	34
Safe custody fee	4	9
	29	43
Other:		
Professional fees	1	–
Audit fee	9	9
	10	9
Total expenses	1,848	2,391

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	42	5
Total current tax	42	5
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	4,321	7,300
Corporation tax at 20% (2019: 20%)	864	1,460
Effects of:		
Revenue not subject to taxation	(1,226)	(1,932)
Overseas taxes	42	5
Excess allowable expenses	362	472
Total tax charge for year (note 6a)	42	5

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,627,000 (2019: £3,265,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	2,631	3,493
Second interim distribution	1,294	2,632
Third interim distribution	1,226	2,313
Final distribution	472	1,048
	5,623	9,486
Add: Income deducted on cancellation of shares	474	267
Deduct: Income received on issue of shares	(9)	(119)
Net distribution for the year	6,088	9,634

Details of the distribution per share are set out in this Fund's distribution tables.

Net revenue after taxation	4,279	7,295
Annual ACD charge to capital	1,737	2,235
Registraion fees charged to capital	67	98
Dealing Charges taken from the capital account	5	6
Total distributions	6,088	9,634

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	1	3
Sales awaiting settlement	–	2,206
Accrued revenue	314	727
Foreign withholding tax recoverable	20	13
Total debtors	335	2,949

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	112	32
Purchases awaiting settlement	–	99
Accrued expenses payable to ACD	93	164
Accrued expenses payable to the Depositary or associates of the Depositary	7	8
Other accrued expenses	11	9
Total creditors	223	312

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	38,900,539	52,941	(5,025,029)	(198,224)	33,730,227
Institutional accumulation	46,642,694	242,242	(45,118,554)	4,702	1,771,084
Retail income	10,537,298	119,650	(907,532)	(158,237)	9,591,179
Institutional income	758,971	157,894	(298,691)	–	618,174
Standard Life income	99	850	–	–	949
Standard Life accumulation	171,474	1,265	(1,585)	137	171,291
Platform 1 accumulation	9,441,567	341,774	(2,824,838)	416,633	7,375,136
Platform 1 income	2,282,148	94,504	(511,594)	187,612	2,052,670

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	83,158	–	–	198,812	–	–
Collective Investment Schemes	–	1,595	–	–	2,604	–
Total investment assets	83,158	1,595	–	198,812	2,604	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £4,238,000 (2019: £10,071,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £11,000 (2019: £25,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	20	13
US Dollar	202	479

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	1,596	82,994	84,590
Euro	–	20	20
US Dollar	–	202	202
2019			
Currency			
UK Sterling	2,606	200,893	203,499
Euro	–	13	13
US Dollar	–	479	479

d. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 82.24p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 77.46p. This represents a decrease of 5.81% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the three months ended 31 May 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 May 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	3.1433	-	3.1433*	3.3296
Group 2	1.4894	1.6539	3.1433*	3.3296
Institutional accumulation				
Group 1	3.2120	-	3.2120*	3.3865
Group 2	1.9688	1.2432	3.2120*	3.3865
Retail income				
Group 1	1.3976	-	1.3976**	1.5312
Group 2	0.3825	1.0151	1.3976**	1.5312
Institutional income				
Group 1	1.0193	-	1.0193**	1.1190
Group 2	0.8901	0.1292	1.0193**	1.1190
Standard Life income				
Group 1	1.6114	-	1.6114**	1.7891
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	3.8187	-	3.8187*	3.9962
Group 2	2.0397	1.7790	3.8187*	3.9962
Platform 1 accumulation				
Group 1	1.4536	-	1.4536*	1.5333
Group 2	0.5987	0.8549	1.4536*	1.5333
Platform 1 income				
Group 1	1.1775	-	1.1775**	1.2935
Group 2	0.4671	0.7104	1.1775**	1.2935

* Distribution accumulated on 31 May 2019

** Distribution paid on 31 July 2019

For the three months ended 31 August 2019

Group 1 - shares purchased prior to 1 June 2019

Group 2 - shares purchased between 1 June 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.5708	-	1.5708*	2.6064
Group 2	1.3427	0.2281	1.5708*	2.6064
Institutional accumulation				
Group 1	1.6074	-	1.6074*	2.5828
Group 2	1.2622	0.3452	1.6074*	2.5828
Retail income				
Group 1	0.6877	-	0.6877**	0.5200
Group 2	0.3783	0.3094	0.6877**	0.5200
Institutional income				
Group 1	0.5023	-	0.5023**	0.8427
Group 2	0.3760	0.1263	0.5023**	0.8427
Standard Life income				
Group 1	0.8006	-	0.8006**	1.3503
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	1.9157	-	1.9157*	3.0558
Group 2	1.6795	0.2362	1.9157*	3.0558
Platform 1 accumulation				
Group 1	0.7274	-	0.7274*	1.1660
Group 2	0.5846	0.1428	0.7274*	1.1660
Platform 1 income				
Group 1	0.5801	-	0.5801**	0.9703
Group 2	0.3488	0.2313	0.5801**	0.9703

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the three months ended 30 November 2019

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 30 November 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.5883	-	1.5883*	2.2913
Group 2	0.9399	0.6484	1.5883*	2.2913
Institutional accumulation				
Group 1	1.6269	-	1.6269*	2.3357
Group 2	0.1139	1.5130	1.6269*	2.3357
Retail income				
Group 1	0.6900	-	0.6900**	1.0356
Group 2	0.2091	0.4809	0.6900**	1.0356
Institutional income				
Group 1	0.5045	-	0.5045**	0.7541
Group 2	0.1968	0.3077	0.5045**	0.7541
Standard Life income				
Group 1	0.8391	-	0.8391**	1.2124
Group 2	0.4337	0.4054	0.8391**	-
Standard Life accumulation				
Group 1	1.9418	-	1.9418*	2.7696
Group 2	1.3488	0.5930	1.9418*	2.7696
Platform 1 accumulation				
Group 1	0.7361	-	0.7361*	1.0575
Group 2	0.2930	0.4431	0.7361*	1.0575
Platform 1 income				
Group 1	0.5827	-	0.5827**	0.8706
Group 2	0.2839	0.2988	0.5827**	0.8706

* Distribution accumulated on 30 November 2019

** Distribution paid on 31 January 2020

For the three months ended 29 February 2020

Group 1 - shares purchased prior to 1 December 2019

Group 2 - shares purchased between 1 December 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	1.0657	-	1.0657*	1.0819
Group 2	0.9477	0.1180	1.0657*	1.0819
Institutional accumulation				
Group 1	1.0953	-	1.0953*	1.1045
Group 2	0.8177	0.2776	1.0953*	1.1045
Retail income				
Group 1	0.4598	-	0.4598**	0.4834
Group 2	0.2830	0.1768	0.4598**	0.4834
Institutional income				
Group 1	0.3366	-	0.3366**	0.3523
Group 2	0.2290	0.1076	0.3366**	0.3523
Standard Life income				
Group 1	0.5492	-	0.5492**	0.4053
Group 2	-	-	-	0.4053
Standard Life accumulation				
Group 1	1.3076	-	1.3076*	1.3113
Group 2	1.0686	0.2390	1.3076*	1.3113
Platform 1 accumulation				
Group 1	0.4942	-	0.4942*	0.4997
Group 2	0.2126	0.2816	0.4942*	0.4997
Platform 1 income				
Group 1	0.3887	-	0.3887**	0.4070
Group 2	0.2685	0.1202	0.3887**	0.4070

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK High Income Equity Fund

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in UK equities (company shares).

Performance Target: To exceed the Investment Association UK Equity Income Sector Average return over 1 year and to be top quartile over three years or longer and deliver a yield greater than that of the FTSE 350 Index over rolling three year periods. The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes that this is an appropriate target for the Fund based on the investment policy of the Fund.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view of a company's prospects than that of the market, and which align with their views regarding future economic and business conditions.
- The combined average yield on assets in the Fund is expected to be higher than the broad UK equity market, as represented by the FTSE 350 Index.
- In seeking to achieve the Performance Target, the FTSE 350 Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ('tracking error') between the returns of the Fund and the index is not ordinarily expected to exceed 8%. Due to the income nature of the management process, the Fund's performance profile may deviate significantly from that of the FTSE 350 Index.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as 'Efficient Portfolio Management').

- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the 12-month period to the end of February, the Fund returned -9.3%. This compared to a return of -10.9% for our performance target (the IA UK Equity Income Sector Average). From a yield perspective, the Fund's historic 12 month yield was 5.4% at the end of February versus a yield of 4.8% for the FTSE 350 Index.

In terms of stock contribution, Saga was a major detractor from returns. The stock fell sharply after giving a profit warning and announcing a revised strategy in an attempt to differentiate its insurance business. The position in construction company Kier Group also weighed on returns. The stock has been impaired by the sluggish outlook for UK construction activity, the company's high net debt and a write-down to a current project. All this forced the company to cut its dividend. Glencore was weak, falling amid concerns about industrial-metal demand. It is also sensitive to slower global growth from the escalating US-China trade dispute. Our holding in BP detracted from performance as the oil price fell; conversely, a less-than-benchmark position in Royal Dutch Shell was beneficial.

On the positive side, gambling firm GVC was re-rated after it upgraded profit guidance for its full year. Housebuilder Persimmon also added value, as did National Grid. An absence of Lloyds Banking Group and BT Group from the Fund also enhanced performance.

Activity

Abcam was added as a new position early in the reporting period. The company supplies antibodies for medical research and diagnostic use. It has a market-leading position in an expanding market and of note from an income perspective has a record of delivering consistent dividend growth backed by strong cash flow and low debt. We also added to wealth adviser St James' Place, which has demonstrated an ability to grow assets under management. This gives it a degree of protection from market fluctuations.

We initiated a position in MoneySupermarket. The business has built up a strong and trusted brand in consumer finance, with opportunities to materially increase future earnings. Fund manager Man Group was another addition. The group has an above-average yield that is well covered by its earnings, and it has a strong and flexible balance sheet. We also started a position in healthcare products business Convatec. With new management in place, we see potential for significant improvement in the business. Finally, we bought Centrica; the owner of British Gas is seeing early signs of improvement in its business as customer losses have slowed down and costs have fallen.

In terms of sales, we trimmed some holdings after they performed well to protect the Fund's high yield compared to the broader equity market. These included Vodafone and Rentokil, both of which had lower dividend yields than the market. The same rationale applied with Fever-Tree Drinks; with limited yield, we needed high conviction on growth and valuation to justify holding the stock. Closing out the initiation made earlier in the year, we sold Abcam, the life science business. While we continue to consider it a good company, its share price rerated to levels which we felt reflected its value. We also sold subscription-based software business Sage given its outperformance.

Outlook

For some time we have observed that heightened macroeconomic anxiety has led to an unusually wide divergence in valuations. The upside to these market conditions for fundamental investors is that they lead to stocks becoming mis-priced, which is exactly the raw material that is required to generate sustainable returns. While share prices are volatile, we are encouraged by the strength of the Fund's income generation; it is one of the key benefits of our index-agnostic approach to UK equity income. The high dividend yield on offer reflects gloomy macro sentiment rather than stock-level fundamentals. Looking ahead, we expect solid cash flow generation to support continued delivery of dividend growth. This should result in capital growth as share prices respond to positive company announcements.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The Fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The Fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	240.77	251.52	238.36
Return before operating charges*	(20.43)	(7.45)	16.45
Operating charges	(3.20)	(3.30)	(3.29)
Return after operating charges*	(23.63)	(10.75)	13.16
Distributions	(11.47)	(12.35)	(9.96)
Retained distributions on accumulation shares	11.47	12.35	9.96
Closing net asset value per share	217.14	240.77	251.52
 * after direct transaction costs of:	 0.29	 0.54	 0.38
Performance			
Return after charges	(9.81%)	(4.27%)	5.52%
Other information			
Closing net asset value (£'000)	76,370	96,548	68,077
Closing number of shares	35,171,435	40,099,571	27,066,578
Operating charges	1.32%	1.32%	1.31%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	257.4	276.6	269.8
Lowest share price	213.9	218.7	237.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	270.94	281.70	265.72
Return before operating charges*	(23.18)	(8.37)	18.35
Operating charges	(2.33)	(2.39)	(2.37)
Return after operating charges*	(25.51)	(10.76)	15.98
Distributions	(12.93)	(13.87)	(11.13)
Retained distributions on accumulation shares	12.93	13.87	11.13
Closing net asset value per share	245.43	270.94	281.70
 * after direct transaction costs of:	 0.33	 0.60	 0.42
Performance			
Return after charges	(9.42%)	(3.82%)	6.01%
Other information			
Closing net asset value (£'000)	200,020	231,571	195,927
Closing number of shares	81,498,648	85,468,987	69,550,690
Operating charges	0.85%	0.85%	0.84%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	290.9	310.1	302.0
Lowest share price	241.8	245.9	265.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	77.48	85.07	83.91
Return before operating charges*	(6.43)	(2.33)	5.77
Operating charges	(1.01)	(1.12)	(1.14)
Return after operating charges*	(7.44)	(3.45)	4.63
Distributions	(3.65)	(4.14)	(3.47)
Closing net asset value per share	66.39	77.48	85.07
 * after direct transaction costs of:	 0.09	 0.18	 0.13
Performance			
Return after charges	(9.60%)	(4.06%)	5.52%
Other information			
Closing net asset value (£'000)	17,585	24,146	72,420
Closing number of shares	26,487,631	31,162,076	85,131,399
Operating charges	1.32%	1.32%	1.31%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	80.26	93.54	92.77
Lowest share price	65.30	71.83	83.65

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	87.20	95.27	93.53
Return before operating charges*	(7.27)	(2.63)	6.44
Operating charges	(0.74)	(0.80)	(0.82)
Return after operating charges*	(8.01)	(3.43)	5.62
Distributions	(4.12)	(4.64)	(3.88)
Closing net asset value per share	75.07	87.20	95.27
 * after direct transaction costs of:	 0.10	 0.20	 0.15
Performance			
Return after charges	(9.19%)	(3.60%)	6.01%
Other information			
Closing net asset value (£'000)	14,199	32,231	36,939
Closing number of shares	18,914,828	36,960,876	38,771,540
Operating charges	0.85%	0.85%	0.84%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	90.70	104.9	103.8
Lowest share price	73.84	80.77	93.30

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	63.64	68.95	67.13
Return before operating charges*	(5.37)	(1.93)	4.62
Operating charges	(0.01)	(0.01)	(0.01)
Return after operating charges*	(5.38)	(1.94)	4.61
Distributions	(3.01)	(3.37)	(2.79)
Closing net asset value per share	55.25	63.64	68.95
 * after direct transaction costs of:	 0.08	 0.15	 0.11
Performance			
Return after charges	(8.45%)	(2.81%)	6.87%
Other information			
Closing net asset value (£'000)	22,607	33,640	50,320
Closing number of shares	40,917,269	52,856,582	72,979,527
Operating charges	0.02%	0.02%	0.01%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	66.69	76.04	75.07
Lowest share price	54.35	58.86	67.04

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	160.62	165.76	155.19
Return before operating charges*	(13.84)	(4.97)	10.72
Operating charges	(0.16)	(0.17)	(0.15)
Return after operating charges*	(14.00)	(5.14)	10.57
Distributions	(7.69)	(8.19)	(6.52)
Retained distributions on accumulation shares	7.69	8.19	6.52
Closing net asset value per share	146.62	160.62	165.76
 * after direct transaction costs of:	 0.20	 0.36	 0.25
Performance			
Return after charges	(8.72%)	(3.10%)	6.81%
Other information			
Closing net asset value (£'000)	382	469	656
Closing number of shares	260,801	291,774	395,824
Operating charges	0.10%	0.10%	0.09%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	173.6	182.8	177.5
Lowest share price	144.4	145.6	155.0

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	300.14	310.66	291.72
Return before operating charges*	(25.77)	(9.27)	20.15
Operating charges	(1.21)	(1.25)	(1.21)
Return after operating charges*	(26.98)	(10.52)	18.94
Distributions	(14.35)	(15.33)	(12.24)
Retained distributions on accumulation shares	14.35	15.33	12.24
Closing net asset value per share	273.16	300.14	310.66
 * after direct transaction costs of:	 0.37	 0.67	 0.46
Performance			
Return after charges	(8.99%)	(3.39%)	6.49%
Other information			
Closing net asset value (£'000)	26,699	42,922	51,500
Closing number of shares	9,774,080	14,300,401	16,577,787
Operating charges	0.40%	0.40%	0.39%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	323.5	342.3	332.8
Lowest share price	269.1	272.2	291.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	86.47	89.95	84.89
Return before operating charges*	(7.40)	(2.67)	5.86
Operating charges	(0.78)	(0.81)	(0.80)
Return after operating charges*	(8.18)	(3.48)	5.06
Distributions	(4.13)	(4.43)	(3.55)
Retained distributions on accumulation shares	4.13	4.43	3.55
Closing net asset value per share	78.29	86.47	89.95
 * after direct transaction costs of:	 0.11	 0.19	 0.13
Performance			
Return after charges	(9.46%)	(3.87%)	5.96%
Other information			
Closing net asset value (£'000)	21,961	30,320	39,597
Closing number of shares	28,050,994	35,064,338	44,022,322
Operating charges	0.90%	0.90%	0.89%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	92.80	99.00	96.43
Lowest share price	77.12	78.49	84.66

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	65.27	71.34	70.07
Return before operating charges*	(5.45)	(1.97)	4.83
Operating charges	(0.58)	(0.63)	(0.65)
Return after operating charges*	(6.03)	(2.60)	4.18
Distributions	(3.08)	(3.47)	(2.91)
Closing net asset value per share	56.16	65.27	71.34
 * after direct transaction costs of:	 0.08	 0.15	 0.11
Performance			
Return after charges	(9.24%)	(3.64%)	5.97%
Other information			
Closing net asset value (£'000)	19,542	28,147	36,126
Closing number of shares	34,798,700	43,126,088	50,637,905
Operating charges	0.90%	0.90%	0.89%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	67.86	78.52	77.76
Lowest share price	55.24	60.46	69.90

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	65.48	67.87	63.97
Return before operating charges*	(5.47)	(1.84)	4.42
Operating charges	(0.53)	(0.55)	(0.52)
Return after operating charges*	(6.00)	(2.39)	3.90
Distributions	(3.14)	(3.74)	(2.69)
Retained distributions on accumulation shares	3.14	3.74	2.69
Closing net asset value per share	59.48	65.48	67.87
 * after direct transaction costs of:	 0.08	 0.15	 0.10
Performance			
Return after charges	(9.16%)	(3.52%)	6.10%
Other information			
Closing net asset value (£'000)	1	— [^]	1
Closing number of shares	1,602	200	2,200
Operating charges	0.78%	0.78%	0.77%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	70.48	74.74	72.73
Lowest share price	58.60	59.37	63.82

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S accumulation was £131.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	51.57	56.12	55.06
Return before operating charges*	(3.31)	(1.51)	3.78
Operating charges	(0.41)	(0.44)	(0.44)
Return after operating charges*	(3.72)	(1.95)	3.34
Distributions	(2.49)	(2.60)	(2.28)
Closing net asset value per share	45.36	51.57	56.12
 * after direct transaction costs of:	 0.06	 0.12	 0.09
Performance			
Return after charges	(7.21%)	(3.47%)	6.07%
Other information			
Closing net asset value (£'000)	1	— [^]	90,042
Closing number of shares	2,004	200	160,439,922
Operating charges	0.78%	0.78%	0.77%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	54.80	61.79	61.16
Lowest share price	44.62	47.72	54.93

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Institutional S income was £103.

Institutional A accumulation ^A	2019 pence per share	2018 pence per share
Change in net assets per share		
Opening net asset value per share	59.34	56.40
Return before operating charges*	4.97	3.88
Operating charges	(0.49)	(0.94)
Return after operating charges*	4.48	2.94
Distributions	–	(2.36)
Retained distributions on accumulation shares	–	2.36
Redemption value as at 7 June 2018	(63.82)	–
Closing net asset value per share	–	59.34
 * after direct transaction costs of:	 0.07	 0.09
Performance		
Return after charges	7.55%	5.21%
Other information		
Closing net asset value (£'000)	–	1
Closing number of shares	–	2,200
Operating charges	1.60%	1.59%
Direct transaction costs	0.22%	0.15%
Prices		
Highest share price	65.22	63.70
Lowest share price	57.26	56.20

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

^A Institutional A accumulation share class closed on 7 June 2018.

Institutional A income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	49.29	54.26	53.66
Return before operating charges*	(4.08)	(1.49)	3.71
Operating charges	(0.78)	(0.85)	(0.89)
Return after operating charges*	(4.86)	(2.34)	2.82
Distributions	(2.32)	(2.63)	(2.22)
Closing net asset value per share	42.11	49.29	54.26
 * after direct transaction costs of:	 0.06	 0.11	 0.08
Performance			
Return after charges	(9.86%)	(4.31%)	5.26%
Other information			
Closing net asset value (£'000)	62	75	84
Closing number of shares	148,037	152,848	154,848
Operating charges	1.60%	1.60%	1.59%
Direct transaction costs	0.12%	0.21%	0.15%
Prices			
Highest share price	50.93	59.63	59.20
Lowest share price	41.42	45.72	53.48

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (98.51%)		397,939	99.63
Basic Materials (8.17%)		33,981	8.51
824,957	BHP	11,699	2.93
1,628,250	Centamin	2,099	0.53
3,046,712	Glencore	5,887	1.47
142,737	Johnson Matthey	3,583	0.90
213,018	Mondi	3,326	0.83
204,766	Rio Tinto	7,387	1.85
Consumer Goods (14.57%)		59,862	14.99
102,747	Bellway	3,824	0.96
233,974	Bovis Homes	2,990	0.75
677,453	British American Tobacco	20,744	5.19
161,283	Coca-Cola HBC	3,988	1.00
1,251,728	Countryside Properties	5,883	1.47
125,716	Fever Tree Drinks++	1,586	0.40
470,325	Imperial Brands	7,312	1.83
415,084	Inchcape	2,393	0.60
347,499	Persimmon	9,862	2.47
413,087	SuperGroup	1,280	0.32
Consumer Services (6.90%)		33,312	8.34
1,592,254	888	1,814	0.45
2,446,576	Cineworld	3,795	0.95
1,368,258	GVC	10,801	2.71
771,965	IAG	3,643	0.91
78,419	Just Eat Takeaway.com	5,340	1.34
6,558,240	Saga	2,117	0.53
568,654	TUI	3,411	0.85
2,395,516	Vivo Energy	2,391	0.60
Financials (26.04%)		88,288	22.10
775,531	Ashmore	3,583	0.90
917,824	Aviva	3,219	0.81
6,010,579	Barclays	8,939	2.24
241,179	Close Brothers	3,092	0.77
926,146	Direct Line	2,842	0.71
2,458,012	Hastings Group	4,004	1.00
1,292,457	HSBC	6,770	1.69
1,785,253	John Laing Group	6,002	1.50
1,397,527	Legal & General	3,632	0.91

Holding	Investment	Market value £'000	Percentage of total net assets
1,386,066	M&G	2,754	0.69
2,538,664	Man Strategic	3,720	0.93
574,645	Onesavings Bank	2,307	0.58
1,245,851	Phoenix	8,610	2.16
1,129,789	Prudential	14,309	3.58
2,408,422	Royal Bank of Scotland	4,301	1.08
371,428	St James's Place	3,770	0.94
1,144,051	Standard Chartered	6,434	1.61
Health Care (7.91%)		53,287	13.34
273,424	AstraZeneca	18,574	4.65
774,643	Clinigen++	5,558	1.39
1,880,670	ConvaTec	3,853	0.96
1,147,419	GlaxoSmithKline	17,923	4.49
1,206,907	Hutchison China MediTech++	4,224	1.06
3,738,299	Indivior	1,616	0.40
163,962	NMC Healthcare	1,539	0.39
Industrials (7.88%)		21,829	5.47
413,558	Bodycote	3,157	0.79
1,819,970	Equiniti	3,651	0.92
866,198	IWG	3,046	0.76
2,293,970	Kier	2,565	0.64
588,329	Polypipe	3,142	0.79
1,116,270	Smith (DS)	3,506	0.88
653,865	Vesuvius	2,762	0.69
Oil & Gas (19.27%)		70,777	17.72
6,952,247	BP	27,538	6.89
5,100,829	Diversified Gas & Oil++	4,050	1.01
1,091,581	Energear Oil & Gas	7,128	1.78
1,084,403	Kosmos Energy	2,424	0.61
758,920	Royal Dutch Shell 'A'	12,607	3.16
554,110	Royal Dutch Shell 'B'	9,217	2.32
22,830,242	Savannah Petroleum++	3,048	0.76
1,714,513	Tullow Oil	578	0.14
1,143,746	Wood Group	4,187	1.05
Telecommunications (3.56%)		8,756	2.19
6,518,128	Vodafone	8,756	2.19

Holding	Investment	Market value £'000	Percentage of total net assets
Utilities (4.21%)		27,847	6.97
5,123,605	Centrica	3,694	0.92
1,804,601	National Grid	17,734	4.44
419,932	SSE	6,419	1.61
Collective Investment Schemes (1.09%)		3,363	0.84
3,363	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	3,363	0.84
Total investment assets		401,302	100.47
Net other liabilities		(1,873)	(0.47)
Total Net Assets		399,429	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	2	(59,979)	(39,106)
Revenue	4	23,675	28,415
Expenses	5	(4,298)	(4,868)
Interest payable and similar charges		(1)	(1)
Net revenue before taxation		19,376	23,546
Taxation	6	(364)	(171)
Net revenue after taxation		19,012	23,375
Total return before distributions		(40,967)	(15,731)
Distributions	7	(23,233)	(28,140)
Change in net assets attributable to shareholders from investment activities		(64,200)	(43,871)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	520,069	641,690
Amounts receivable on the issue of shares	12,020	102,762
Amounts payable on the cancellation of shares	(86,524)	(201,186)
	(74,504)	(98,424)
Dilution adjustment	–	501
Change in net assets attributable to shareholders from investment activities (see above)	(64,200)	(43,871)
Retained distribution on accumulation shares	18,059	20,170
Unclaimed distributions	5	3
Closing net assets attributable to shareholders	399,429	520,069

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		401,302	517,963
Current assets:			
Debtors	8	3,868	8,977
Cash and bank balances		4	4
		3,872	8,981
Total assets		405,174	526,944
Liabilities:			
Creditors	9	(4,297)	(4,453)
Distribution payable		(1,448)	(2,422)
		(5,745)	(6,875)
Total liabilities		(5,745)	(6,875)
Net assets attributable to shareholders		399,429	520,069

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(59,969)	(39,107)
Other (losses)/gains	(5)	4
Transaction charges	(5)	(3)
Net capital losses	(59,979)	(39,106)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	120,977	213,038	174,954	303,533
Collective investment schemes	110,318	196,356	112,610	196,994
Corporate actions	–		1,005	
Trades in the year before transaction costs	231,295	409,394	288,569	500,527
Commissions				
Equities	70	129	(98)	(187)
Total commissions	70	129	(98)	(187)
Taxes				
Equities	418	898	–	–
Total taxes	418	898	–	–
Total transaction costs	488	1,027	(98)	(187)
Total net trades in the year after transaction costs	231,783	410,421	288,471	500,340

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.06	0.06	0.06	0.06
Taxes				
Equities	0.35	0.42	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.03	0.06
Taxes	0.09	0.16

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.17% (2019: 0.10%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	21,264	26,255
Overseas dividends	2,369	2,120
Taxable distributions on offshore funds	42	14
Bank interest	–	26
Total revenue	23,675	28,415

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	3,920	4,414
Dealing charge	26	40
Registration fees	275	311
	4,221	4,765
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	54	61
Safe custody fee	12	33
	66	94
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	4,298	4,868

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	364	171
Total current tax	364	171
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	19,376	23,546
Corporation tax at 20% (2019: 20%)	3,875	4,709
Effects of:		
Revenue not subject to taxation	(4,726)	(5,675)
Overseas taxes	364	171
Excess allowable expenses	851	966
Total tax charge for year (note 6a)	364	171

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £17,539,000 (2019: £16,688,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	14,756	16,309
Final distribution	7,688	10,489
	22,444	26,798
Add: Income deducted on cancellation of shares	933	2,941
Deduct: Income received on issue of shares	(144)	(1,599)
Net distribution for the year	23,233	28,140
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	19,012	23,375
Annual ACD charge to capital	3,920	4,414
Registration fees taken from the capital account	275	311
Dealing charges taken from the capital account	26	40
Total distributions	23,233	28,140

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	132	34
Sales awaiting settlement	1,350	5,934
Accrued revenue	2,236	2,868
Foreign withholding tax recoverable	150	141
Total debtors	3,868	8,977

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	509	1,764
Purchases awaiting settlement	3,429	2,323
Accrued expenses payable to ACD	343	341
Accrued expenses payable to the Depositary or associates of the Depositary	6	16
Other accrued expenses	10	9
Total creditors	4,297	4,453

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	40,099,571	105,650	(4,555,283)	(478,503)	35,171,435
Institutional accumulation	85,468,987	3,612,627	(7,690,945)	107,979	81,498,648
Retail income	31,162,076	272,098	(3,967,373)	(979,170)	26,487,631
Institutional income	36,960,876	426,811	(18,618,950)	146,091	18,914,828
Standard Life income	52,856,582	–	(11,939,313)	–	40,917,269
Standard Life accumulation	291,774	3,571	(34,544)	–	260,801
Institutional regulated accumulation	14,300,401	91,056	(4,617,377)	–	9,774,080
Platform 1 accumulation	35,064,338	197,475	(8,293,516)	1,082,697	28,050,994
Platform 1 income	43,126,088	1,138,720	(10,307,581)	841,473	34,798,700
Institutional S accumulation	200	1,402	–	–	1,602
Institutional S income	200	1,804	–	–	2,004
Institutional A income	152,848	–	(4,811)	–	148,037

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	397,939	–	–	512,308	–	–
Collective Investment Schemes	–	3,363	–	–	5,655	–
Total investment assets	397,939	3,363	–	512,308	5,655	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £20,065,000 (2019: £25,898,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £65,000 (2019: £99,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	56	70
US Dollar	1,251	1,906

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	3,364	394,758	398,122
Euro	2	54	56
US Dollar	1	1,250	1,251
2019			
Currency			
UK Sterling	5,657	512,436	518,093
Euro	2	68	70
US Dollar	–	1,906	1,906

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional A Income' was 42.11p. The Net Asset Value of share class 'Institutional A Income' as at 12 noon on 17 June 2020 was 39.16p. This represents a decrease of 7.00% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	7.2993	-	7.2993*	7.5128
Group 2	4.4565	2.8428	7.2993*	7.5128
Institutional accumulation				
Group 1	8.2230	-	8.2230*	8.4307
Group 2	5.5352	2.6878	8.2230*	8.4307
Retail income				
Group 1	2.3490	-	2.3490**	2.5544
Group 2	1.1163	1.2327	2.3490**	2.5544
Institutional income				
Group 1	2.6466	-	2.6466**	2.8515
Group 2	1.3783	1.2683	2.6466**	2.8515
Standard Life income				
Group 1	1.9353	-	1.9353**	2.0679
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	4.8835	-	4.8835*	4.9693
Group 2	3.4488	1.4347	4.8835*	4.9693
Institutional regulated accumulation				
Group 1	9.1186	-	9.1186*	9.3079
Group 2	5.0417	4.0769	9.1186*	9.3079
Platform 1 accumulation				
Group 1	2.6241	-	2.6241*	2.6921
Group 2	1.3421	1.2820	2.6241*	2.6921
Platform 1 income				
Group 1	1.9807	-	1.9807**	2.1351
Group 2	0.8720	1.1087	1.9807**	2.1351
Institutional S accumulation				
Group 1	1.9900	-	1.9900*	2.0345
Group 2	-	-	-	-
Institutional S income				
Group 1	1.6000	-	1.6000**	1.5813
Group 2	-	-	-	-
Institutional A income				
Group 1	1.4937	-	1.4937**	1.6212
Group 2	-	-	-	-

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the six months ended 29 February 2020

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	4.1668	-	4.1668*	4.8391
Group 2	2.2362	1.9306	4.1668*	4.8391
Institutional accumulation				
Group 1	4.7056	-	4.7056*	5.4389
Group 2	1.9413	2.7643	4.7056*	5.4389
Retail income				
Group 1	1.3010	-	1.3010**	1.5894
Group 2	0.5288	0.7722	1.3010**	1.5894
Institutional income				
Group 1	1.4694	-	1.4694**	1.7865
Group 2	0.9220	0.5474	1.4694**	1.7865
Standard Life income				
Group 1	1.0793	-	1.0793**	1.3011
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	2.8054	-	2.8054*	3.2184
Group 2	1.6770	1.1284	2.8054*	3.2184
Institutional regulated accumulation				
Group 1	5.2304	-	5.2304*	6.0184
Group 2	2.9726	2.2578	5.2304*	6.0184
Platform 1 accumulation				
Group 1	1.5012	-	1.5012*	1.7360
Group 2	0.7325	0.7687	1.5012*	1.7360
Platform 1 income				
Group 1	1.0994	-	1.0994**	1.3373
Group 2	0.5408	0.5586	1.0994**	1.3373
Institutional S accumulation				
Group 1	1.1483	-	1.1483*	1.7050
Group 2	0.9083	0.2400	1.1483*	-
Institutional S income				
Group 1	0.8923	-	0.8923**	1.0150
Group 2	0.7073	0.1850	0.8923**	-
Institutional A income				
Group 1	0.8259	-	0.8259**	1.0117
Group 2	-	-	-	-

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Opportunities Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in UK small and mid-capitalisation equities (company shares).

Performance Target: To achieve the return of the FTSE All-Share ex FTSE 100 ex Investment Trusts Index, plus 3% per annum (before charges).

The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the index.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in smaller and mid-capitalisation equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Smaller and mid-capitalisation companies are defined as any stock not included in the FTSE All-Share ex FTSE 100 ex Investment Trusts Index.
- The Fund may invest up to 30% in larger capitalisation companies listed, incorporated or domiciled in the UK.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the FTSE All-Share ex FTSE 100 ex Investment Trusts Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ("tracking error") between the returns of the Fund and the index is not ordinarily expected to exceed 9%. Due to the active nature of the management process, the Fund's performance profile may deviate significantly from that of the FTSE All-Share ex FTSE 100 ex Investment Trusts Index.

Please note: The Fund's ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the Fund may not be able to sell their investment when they want to.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 12.6%. This compared to a return of 6.3% for our performance target (the FTSE All-Share ex FTSE 100 ex Investment Trusts Index +3%).

Team17 was the standout holding. The company, which develops video games, continues to deliver results ahead of analysts' forecasts. Demand is strong, thanks to the popularity of many of its titles. JD Sports performed well. The company remains a beacon in a troubled retail sector, on account of its athletic leisure wear. Meanwhile, Kainos received a boost following the Conservative Party's landslide election victory in December 2019. Investors now hope more government contracts will be coming the software firm's way. Additional highlights included Global Data, Gamma Communications and 4Imprint.

On the downside, Cineworld continued to struggle despite more encouraging industry admissions data. Investors are worried about debt levels at the business, which was not helped by its recent Cineplex Canadian deal. Fever-Tree, the maker premium drinks-mixers, continued to drift, culminating in a dull trading update in January. The company appears to have reached its market share limit in the UK, while progress in the US is taking longer than hoped. We sold the stock. NMC Health's shares plunged after a third-party analyst questioned the company's accountancy practices. Positions in Costain, Joules Group and Next Fifteen Communications also disappointed.

Activity

We purchased Cranswick, the producer and supplier of premium foods. Swine flu is driving demand for imported quality pork in China, while rising prices in the UK should offset the challenging consumer environment there. The company is also moving into poultry, and this should help drive earnings growth. Craneware develops, licenses and supports computer software for the US healthcare sector. The shares had tumbled after the company said it might not meet its profit targets. However, the feedback from its recent customer conference in the US was encouraging and confirmed our view that the fall was a temporary setback. The underperformance also meant we could buy the shares at a discount.

Activity (continued)

We sold Dechra Pharmaceuticals and Abcam. Both stocks have performed well, increasing in size to such an extent that they are no longer considered suitable for the Fund. We reduced First Derivatives. There are concerns that the company may be changing direction following the tragic death of its chief executive. We are not convinced the new candidate is suited for the role, while potential replacements from the US are too expensive - not an ideal situation.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 6 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants.
- The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

	2020 pence per share	2019 pence per share	2018 pence per share
Retail accumulation			
Change in net assets per share			
Opening net asset value per share	226.57	255.75	202.09
Return before operating charges*	31.21	(25.88)	56.80
Operating charges	(3.41)	(3.30)	(3.14)
Return after operating charges*	27.80	(29.18)	53.66
Distributions	(1.32)	(0.79)	(0.97)
Retained distributions on accumulation shares	1.32	0.79	0.97
Closing net asset value per share	254.37	226.57	255.75
 * after direct transaction costs of:	 0.33	 0.29	 0.27
Performance			
Return after charges	12.27%	(11.41%)	26.55%
Other information			
Closing net asset value (£'000)	22,801	23,007	27,409
Closing number of shares	8,963,652	10,154,393	10,717,251
Operating charges	1.33%	1.33%	1.33%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	287.3	273.1	259.2
Lowest share price	228.0	206.3	205.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	256.25	287.88	226.42
Return before operating charges*	35.26	(29.25)	63.74
Operating charges	(2.51)	(2.38)	(2.28)
Return after operating charges*	32.75	(31.63)	61.46
Distributions	(2.87)	(2.16)	(1.79)
Retained distributions on accumulation shares	2.87	2.16	1.79
Closing net asset value per share	289.00	256.25	287.88
 * after direct transaction costs of:	 0.38	 0.32	 0.30
Performance			
Return after charges	12.78%	(10.99%)	27.14%
Other information			
Closing net asset value (£'000)	23,755	11,341	8,968
Closing number of shares	8,219,447	4,425,713	3,115,232
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	326.4	308.2	291.7
Lowest share price	257.9	233.1	230.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	207.12	234.47	186.04
Return before operating charges*	27.27	(23.61)	52.20
Operating charges	(3.09)	(3.02)	(2.88)
Return after operating charges*	24.18	(26.63)	49.32
Distributions	(0.05)	(0.72)	(0.89)
Closing net asset value per share	231.25	207.12	234.47
 * after direct transaction costs of:	 0.30	 0.26	 0.25
Performance			
Return after charges	11.67%	(11.36%)	26.51%
Other information			
Closing net asset value (£'000)	525	642	793
Closing number of shares	227,095	309,843	338,039
Operating charges	1.33%	1.33%	1.33%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	261.3	250.2	237.7
Lowest share price	208.4	188.6	189.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	211.88	239.81	189.86
Return before operating charges*	29.06	(24.18)	53.37
Operating charges	(2.05)	(1.95)	(1.91)
Return after operating charges*	27.01	(26.13)	51.46
Distributions	(2.37)	(1.80)	(1.51)
Closing net asset value per share	236.52	211.88	239.81
 * after direct transaction costs of:	 0.31	 0.26	 0.25
Performance			
Return after charges	12.75%	(10.90%)	27.10%
Other information			
Closing net asset value (£'000)	1,623	1,492	1,014
Closing number of shares	686,291	703,874	422,785
Operating charges	0.86%	0.86%	0.86%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	267.8	256.5	243.1
Lowest share price	213.2	193.2	193.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	93.10	105.37	83.39
Return before operating charges*	12.74	(10.61)	23.49
Operating charges	(0.03)	(0.03)	(0.03)
Return after operating charges*	12.71	(10.64)	23.46
Distributions	(1.92)	(1.63)	(1.48)
Closing net asset value per share	103.89	93.10	105.37
 * after direct transaction costs of:	 0.14	 0.13	 0.11
Performance			
Return after charges	13.65%	(10.10%)	28.13%
Other information			
Closing net asset value (£'000)	1	— [^]	2
Closing number of shares	1,004	92	2,000
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	118.1	113.2	107.2
Lowest share price	93.71	85.10	84.81

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

[^] The closing net asset value of Standard Life income is £85.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	280.79	313.10	244.42
Return before operating charges*	38.64	(31.98)	69.00
Operating charges	(0.35)	(0.33)	(0.32)
Return after operating charges*	38.29	(32.31)	68.68
Distributions	(5.55)	(4.64)	(4.11)
Retained distributions on accumulation shares	5.55	4.64	4.11
Closing net asset value per share	319.08	280.79	313.10
 * after direct transaction costs of:	 0.41	 0.35	 0.33
Performance			
Return after charges	13.64%	(10.32%)	28.10%
Other information			
Closing net asset value (£'000)	591	525	600
Closing number of shares	185,252	187,076	191,798
Operating charges	0.11%	0.11%	0.11%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	360.3	336.4	317.0
Lowest share price	282.6	255.1	248.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	182.11	203.68	159.47
Return before operating charges*	25.07	(20.76)	44.98
Operating charges	(0.84)	(0.81)	(0.77)
Return after operating charges*	24.23	(21.57)	44.21
Distributions	(2.97)	(2.42)	(2.11)
Retained distributions on accumulation shares	2.97	2.42	2.11
Closing net asset value per share	206.34	182.11	203.68
 * after direct transaction costs of:	 0.27	 0.23	 0.21
Performance			
Return after charges	13.31%	(10.59%)	27.72%
Other information			
Closing net asset value (£'000)	70,123	67,968	81,184
Closing number of shares	33,984,158	37,322,180	39,859,492
Operating charges	0.41%	0.41%	0.41%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	233.0	218.5	206.3
Lowest share price	183.3	165.6	162.1

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	103.49	116.32	91.53
Return before operating charges*	14.24	(11.80)	25.77
Operating charges	(1.07)	(1.03)	(0.98)
Return after operating charges*	13.17	(12.83)	24.79
Distributions	(1.10)	(0.81)	(0.67)
Retained distributions on accumulation shares	1.10	0.81	0.67
Closing net asset value per share	116.66	103.49	116.32
 * after direct transaction costs of:	 0.15	 0.13	 0.12
Performance			
Return after charges	12.73%	(11.03%)	27.08%
Other information			
Closing net asset value (£'000)	25,136	15,847	16,482
Closing number of shares	21,546,558	15,312,738	14,169,086
Operating charges	0.91%	0.91%	0.91%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	131.8	124.5	117.9
Lowest share price	104.1	94.17	93.06

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	98.56	111.54	88.32
Return before operating charges*	13.51	(11.21)	24.81
Operating charges	(1.01)	(0.99)	(0.94)
Return after operating charges*	12.50	(12.20)	23.87
Distributions	(1.05)	(0.78)	(0.65)
Closing net asset value per share	110.01	98.56	111.54
 * after direct transaction costs of:	 0.14	 0.13	 0.12
Performance			
Return after charges	12.68%	(10.94%)	27.03%
Other information			
Closing net asset value (£'000)	1,086	1,266	1,715
Closing number of shares	986,959	1,284,048	1,537,274
Operating charges	0.91%	0.91%	0.91%
Direct transaction costs	0.13%	0.12%	0.11%
Prices			
Highest share price	124.5	119.3	113.1
Lowest share price	99.19	89.86	89.82

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Equities (99.01%)		141,139	96.91
UK Equities (99.01%)		141,139	96.91
Consumer Goods (19.08%)		27,834	19.11
88,662	Churchill China++	1,436	0.99
365,805	Countryside Properties	1,719	1.18
91,365	Cranswick	3,041	2.09
57,953	Games Workshop	3,648	2.50
466,237	Hilton Food	4,802	3.30
788,730	Hotel Chocolat++	3,206	2.20
577,071	JD Sports	4,252	2.92
1,241,614	Team17++	5,730	3.93
Consumer Services (24.99%)		37,185	25.53
169,848	4Imprint	4,688	3.22
498,919	Auto Trader	2,591	1.78
1,781,801	Cineworld	2,764	1.90
115,994	Dart Group++	1,424	0.98
175,947	Future	2,030	1.39
476,975	GlobalData++	5,676	3.90
68,400	Greggs	1,428	0.98
228,495	GVC	1,804	1.24
1,167,677	Hollywood Bowl	2,826	1.94
624,113	Joules++	839	0.58
587,504	Next Fifteen Communications++	2,802	1.92
828,244	On the Beach	2,675	1.84
9,870,319	Phorm*	-	-
800,000	Trainline	3,708	2.54
291,046	YouGov++	1,930	1.32
Financials (4.17%)		13,750	9.44
889,791	AJ Bell	3,168	2.17
198,104	Intermediate Capital	3,152	2.16
255,088	Liontrust Asset Management	2,819	1.94
443,799	Melrose Industries	929	0.64
2,493,582	Sirius Real Estate	2,007	1.38
148,062	Workspace	1,675	1.15
Health Care (9.89%)		4,210	2.89
113,267	Dechra Pharmaceuticals	2,995	2.06
321,220	Medica	429	0.29
83,710	NMC Healthcare	786	0.54

Holding	Investment	Market value £'000	Percentage of total net assets
Industrials (26.04%)		30,850	21.18
1,111,911	Alpha Financial Markets++	2,291	1.57
164,977	Diploma	3,100	2.13
126,210	Hill & Smith	1,686	1.16
308,575	Keywords Studios++	4,727	3.25
484,559	Marshalls	3,520	2.42
684,706	Midwich++	3,773	2.59
380,982	Polypipe	2,034	1.39
437,783	Porvair	2,924	2.01
904,084	RWS++	4,737	3.25
149,679	Sanne	852	0.58
1,438,986	Severfield	1,206	0.83
Oil & Gas (0.53%)		-	-
Technology (11.58%)		22,597	15.52
223,715	Aptitude Software	1,065	0.73
340,529	Avast	1,340	0.92
89,896	AVEVA	3,943	2.71
45,510	Blue Prism++	658	0.45
169,800	Computacenter	2,805	1.93
102,044	Craneware++	1,929	1.32
343,334	FDM	2,953	2.03
43,661	First Derivatives++	1,205	0.83
190,495	GB++	1,227	0.84
735,514	Kainos	5,472	3.76
Telecommunications (2.73%)		4,713	3.24
391,154	Gamma Communication++	4,713	3.24
Collective Investment Schemes (1.06%)		4,730	3.25
4,730	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	4,730	3.25
Total investment assets		145,869	100.16
Net other liabilities		(228)	(0.16)
Total Net Assets		145,641	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019, unless otherwise stated.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed

* Suspended

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	14,081	(16,465)
Revenue	4	2,633	2,182
Expenses	5	(1,018)	(931)
Net revenue before taxation		1,615	1,251
Taxation	6	(2)	–
Net revenue after taxation		1,613	1,251
Total return before distributions		15,694	(15,214)
Distributions	7	(1,613)	(1,255)
Change in net assets attributable to shareholders from investment activities		14,081	(16,469)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	122,088	138,169
Amounts receivable on the issue of shares	34,049	14,380
Amounts payable on the cancellation of shares	(26,260)	(15,271)
	7,789	(891)
Dilution adjustment	84	46
Change in net assets attributable to shareholders from investment activities (see above)	14,081	(16,469)
Retained distribution on accumulation shares	1,599	1,233
Closing net assets attributable to shareholders	145,641	122,088

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		145,869	122,170
Current assets:			
Debtors	8	299	422
Cash and bank balances		37	32
		336	454
Total assets		146,205	122,624
Liabilities:			
Creditors	9	(557)	(530)
Distribution payable		(7)	(6)
		(564)	(536)
Total liabilities		(564)	(536)
Net assets attributable to shareholders		145,641	122,088

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	14,086	(16,461)
Other losses	–	(1)
Transaction charges	(5)	(3)
Net capital gains/(losses)	14,081	(16,465)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	40,976	32,471	34,510	30,881
Collective investment schemes	39,765	28,092	36,329	29,445
Corporate actions	–	–	473	–
Trades in the year before transaction costs	80,741	60,563	71,312	60,326
Commissions				
Equities	31	30	(24)	(25)
Total commissions	31	30	(24)	(25)
Taxes				
Equities	130	100	–	–
Total taxes	130	100	–	–
Total transaction costs	161	130	(24)	(25)
Total net trades in the year after transaction costs	80,902	60,693	71,288	60,301

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.08	0.09	0.07	0.08
Taxes				
Equities	0.32	0.31	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.04	0.04
Taxes	0.09	0.07

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 1.01% (2019: 0.99%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	2,553	1,856
Overseas dividends	–	243
Taxable distributions on offshore funds	26	15
Bank interest	–	20
Property income distributions	54	48
Total revenue	2,633	2,182

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	875	800
Dealing charge	12	9
Registration fees	95	86
	982	895
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	22	23
Safe custody fee	3	4
	25	27
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	1,018	931

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	2	-
Total current tax	2	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	1,615	1,251
Corporation tax at 20% (2019: 20%)	323	250
Effects of:		
Revenue not subject to taxation	(511)	(420)
Overseas taxes	2	-
Excess allowable expenses	188	170
Total tax charge for year (note 6a)	2	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £4,747,000 (2019: £4,559,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Interim distribution	1,155	883
Final distribution	478	371
	1,633	1,254
Add: Income deducted on cancellation of shares	74	34
Deduct: Income received on issue of shares	(94)	(33)
Net distribution for the year	1,613	1,255
Details of the distribution per share are set out in this Fund's distribution tables.		
Net revenue after taxation	1,613	1,251
Shortfall transfer from capital to revenue	-	4
Total distributions	1,613	1,255

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	270	243
Sales awaiting settlement	–	170
Accrued revenue	29	7
Foreign withholding tax recoverable	–	2
Total debtors	299	422

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	455	319
Purchases awaiting settlement	–	134
Accrued expenses payable to ACD	89	63
Accrued expenses payable to the Depositary or associates of the Depositary	3	5
Other accrued expenses	10	9
Total creditors	557	530

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	10,154,393	974,726	(1,895,308)	(270,159)	8,963,652
Institutional accumulation	4,425,713	5,103,906	(1,458,981)	148,809	8,219,447
Retail income	309,843	2,909	(80,953)	(4,704)	227,095
Institutional income	703,874	225,139	(242,722)	–	686,291
Standard Life income	92	912	–	–	1,004
Standard Life accumulation	187,076	14,219	(16,043)	–	185,252
Institutional regulated accumulation	37,322,180	1,248,907	(4,586,929)	–	33,984,158
Platform 1 accumulation	15,312,738	11,009,686	(4,997,762)	221,896	21,546,558
Platform 1 income	1,284,048	478,792	(785,769)	9,888	986,959

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	141,139	–	–	120,876	–	–
Collective Investment Schemes	–	4,730	–	–	1,294	–
Total investment assets	141,139	4,730	–	120,876	1,294	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

In the current market conditions certain securities have become difficult to price. For these securities, reliance has therefore been placed on single broker prices. This has not resulted in any adjustment to the financial statements.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £7,293,000 (2019: £6,108,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £1,000 (2019: £2,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	30	32

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	4,738	140,873	145,611
Euro	30	–	30
2019			
Currency			
UK Sterling	1,296	120,760	122,056
Euro	30	2	32

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Income' was 231.25p. The Net Asset Value of share class 'Retail Income' as at 12 noon on 17 June 2020 was 221.47p. This represents a decrease of 4.23% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution Tables

For the six months ended 31 August 2019

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 31 August 2019

	Net Income 2019 pence per share	Equalisation 2019 pence per share	Distribution paid 2019 pence per share	Distribution paid 2018 pence per share
Retail accumulation				
Group 1	1.2803	-	1.2803*	0.7857
Group 2	0.9943	0.2860	1.2803*	0.7857
Institutional accumulation				
Group 1	2.1174	-	2.1174*	1.5890
Group 2	0.8904	1.2270	2.1174*	1.5890
Retail income				
Group 1	1.1700	-	1.1700**	0.7181
Group 2	0.5204	0.6496	1.1700**	0.7181
Institutional income				
Group 1	1.7508	-	1.7508**	1.3249
Group 2	1.1798	0.5710	1.7508**	1.3249
Standard Life income				
Group 1	1.1989	-	1.1989**	1.0385
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	3.4920	-	3.4920*	2.9520
Group 2	1.8682	1.6238	3.4920*	2.9520
Institutional regulated accumulation				
Group 1	1.9605	-	1.9605*	1.6002
Group 2	1.3698	0.5907	1.9605*	1.6002
Platform 1 accumulation				
Group 1	0.8267	-	0.8267*	0.6109
Group 2	0.4849	0.3418	0.8267*	0.6109
Platform 1 income				
Group 1	0.7870	-	0.7870**	0.5816
Group 2	0.4027	0.3843	0.7870**	0.5816

* Distribution accumulated on 31 August 2019

** Distribution paid on 31 October 2019

For the six months ended 29 February 2020

Group 1 - shares purchased prior to 1 September 2019

Group 2 - shares purchased between 1 September 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	0.0349	-	0.0349*	-
Group 2	-	0.0349	0.0349*	-
Institutional accumulation				
Group 1	0.7498	-	0.7498*	0.5681
Group 2	0.1966	0.5532	0.7498*	0.5681
Retail income				
Group 1	0.0403	-	0.0403**	-
Group 2	-	0.0403	0.0403**	-
Institutional income				
Group 1	0.6155	-	0.6155**	0.4774
Group 2	0.2649	0.3506	0.6155**	0.4774
Standard Life income				
Group 1	0.7213	-	0.7213**	0.5885
Group 2	0.5469	0.1744	0.7213**	0.5885
Standard Life accumulation				
Group 1	2.0564	-	2.0564*	1.6909
Group 2	0.6385	1.4179	2.0564*	1.6909
Institutional regulated accumulation				
Group 1	1.0124	-	1.0124*	0.8199
Group 2	0.2786	0.7338	1.0124*	0.8199
Platform 1 accumulation				
Group 1	0.2727	-	0.2727*	0.2032
Group 2	0.1186	0.1541	0.2727*	0.2032
Platform 1 income				
Group 1	0.2580	-	0.2580**	0.1939
Group 2	0.1538	0.1042	0.2580**	0.1939

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Recovery Equity Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in “recovery” UK equities (company shares).

Performance Target: To achieve the return of the FTSE All-Share Index plus 4% per annum over rolling five year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: IA UK All Companies Equity Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities:

- The Fund will invest at least 70% in equities and equity related securities of companies listed, incorporated or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Recovery companies are those that are out of favour with the stock market, in difficulty or whose future prospects are not fully recognised by the market.
- At least 60% of the Fund will be invested in large and mid-capitalisation companies. Large and mid-capitalisation companies are classified as stocks that have a market capitalisation between the largest and smallest stock in the FTSE 350 Index.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process:

- The management team use their discretion (active management) to maintain a concentrated asset mix at sector and stock level.
- Their primary focus is on stock selection using research techniques to select individual holdings. The research process is focused on identifying companies where the management team have a different view than that of the market, and which align with their views regarding future economic and business conditions.
- In seeking to achieve the Performance Target, the FTSE All-Share Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation (“tracking error”) between the returns of the Fund and the index is not ordinarily expected to exceed 12%. Due to the active nature of the management process, the Fund’s performance profile may deviate significantly from that of the FTSE All-Share Index.

Please note: The Fund’s ability to buy and sell small and mid-capitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the Fund may not be able to sell their investment when they want to.

Derivatives and Techniques:

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as “Efficient Portfolio Management”).
- Derivative usage in the Fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund’s existing allocations to company shares.

Performance review

Over the period under review, the Fund returned -34.0%. This compared to a return of 2.0% for our performance target (the FTSE All-Share Index +4%).

The Fund invests in recovery stocks. Recovery stocks are generally defined as stocks that have undergone a difficult and stressed period. These stocks are also considered to be significantly undervalued. The Fund invests in stocks where we can identify the catalysts to realise that value. The investment approach of the Fund can be described as contrarian or deep value. The Fund is managed in an index-agnostic way; stocks are selected based on their long-run absolute return potential. The Fund has always been managed in this way, meaning it is run with high relative risk (tracking error). Therefore, this approach can be highly volatile, and by necessity warrants a patient long-term investment horizon. This helps to smooth out the potentially extreme movements in the Fund’s short-term performance.

Equity markets began 2019 with growth stocks looking historically expensive relative to value stocks. This difference grew throughout the year as the economic backdrop remained anaemic; Brexit uncertainty, trade tensions and latterly COVID-19 combined to weigh on global growth.

In this environment, some holdings had weak balance sheets with large liabilities. Unfortunately, some of these businesses were not able to turn around their operations quickly enough to generate the necessary cash to get liabilities under control. Some suffered from company-specific issues and much was down to the weak economic backdrop, particularly around Brexit.

Intu Properties’ shares were marked down when profits were wiped out by a large devaluation of its property portfolio and a fall in rental income. The developer and operator of UK shopping malls suffered some high-profile tenant failures that included the House of Fraser and HMV. Over the past three years, the market for UK retail property has become very depressed. With asset values continuing to fall, the company encountered further trouble in having to address a deteriorating loan-to-value ratio.

This forced it to cut its dividend. The debt level caused more consternation among investors. Intensifying e-commerce and economic and political uncertainty has undermined its business. Energy company Nostrum Oil & Gas was a large detractor from performance. The Kazakhstan-based business suffered delays to projects, persistent downward revisions to production targets and rising costs. Saga also fell sharply as the brand's lustre faded. It was another company forced to issue a profit warning, leading to a revision of its strategy in an attempt to differentiate its insurance business, its largest division. This resulted in a marked downgrade to Saga's earnings and a cut to the dividend. The company has made good progress since then, but it is likely to take some years for profitability to return to previous levels. Thomas Cook suffered due to poor demand for holidays in Europe and the UK as a result of Brexit uncertainty and economic weakness. The travel operator had been struggling for some time, especially in the face of overcapacity and intense competition. Elsewhere, Indivior shares fell despite positive sales data. The pharmaceutical specialist continued to suffer from negative headlines around the US opioid crisis and the related US government indictment. Operationally the company continues to deliver well, and we remain confident Indivior will soon reach an amicable settlement with the US government.

While overall performance has been very disappointing, there were holdings that did well. These included online trading platform firm CMC Markets. Investors rewarded the business for excellent revenue growth, driven by increased bond-trading volumes. Reach, the former Trinity Mirror newspaper group, also delivered strong performance. The shares reacted well to cost savings from the integration of the Express and Star titles' acquisitions, resilient circulation revenues and growing digital sales. This drove better cash generation, helping to improve its debt position. The proposed purchase of JPi Media assets (formerly Johnson Press) was also well received. We subsequently sold the position for a profit. Additionally, having no exposure to Royal Dutch Shell, BP and HSBC helped mitigate the Fund's relative performance.

Activity

Two of the biggest additions were UK retail real estate investment trust (known as REITs) companies, Hammerson and Capital & Regional. We believe each has considerable potential upside, even on conservative assumptions. The opportunities resulted predominantly from weak investor sentiment caused by macroeconomic fears and UK political uncertainty. New holdings also included some oil & gas companies – Seplat Petroleum Development Company, Gulf Keystone Petroleum and SOCO International. All three of these companies have troubled histories. However, all have new and better management and repaired balance sheets, and each is profitable with net cash. External issues have been resolved.

The Fund's positions in Tullow, Glencore, and Standard Chartered were reduced after price strength, bringing position-sizing down to less aggressive levels. The Fund sold First Group and Aggreko. Both had reached their expected fair values. Intu was sold as it struggles to survive given its high levels of debt. We exited Nostrum Oil & Gas as it has seen a string of drilling disappointments and reserve write-downs. Given the high levels of Nostrum's debt, this has left the company in a perilous position. Lastly, we exited Thomas Cook ahead of the company going bust in September 2019.

Strategy

On the back of the poor performance, a number of measures have been taken.

The decisions that caused the underperformance have been thoroughly audited and the investment process and checklists have been tightened as a result. In particular:

- position sizes are now smaller and more gradually built;
- there is greater weight put on our thorough analysis of financial strength before holdings are taken, and tighter monitoring of financial strength among existing holdings; and
- a new manager has been appointed.

Outlook

The market remains highly volatile, with a significant dent to global growth from the spread of the coronavirus. In some instances we believe investors have overreacted, by assuming that solvent businesses stand a significant chance of going bankrupt from the economic hiatus caused by the virus; we doubt that governments and central banks will allow this to happen. Nevertheless, in a more general sense the market sell-off is entirely understandable. Therefore, we are focusing our efforts on searching for businesses whose share prices have been hit hard but which have robust balance sheets with strong liquidity. This should allow these companies the benefit of time to trade through the difficulties of the coming months and survive the economic crisis.

Synthetic Risk & Reward Indicator



This indicator reflects the volatility of the Fund’s share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 6 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund’s investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- “Recovery” stocks may be more volatile than the broader (UK) equity market.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund’s objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund’s ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	222.63	234.93	230.74
Return before operating charges*	(72.94)	(9.01)	7.48
Operating charges	(2.57)	(3.29)	(3.29)
Return after operating charges*	(75.51)	(12.30)	4.19
Distributions	(3.63)	(2.59)	(2.37)
Retained distributions on accumulation shares	3.63	2.59	2.37
Closing net asset value per share	147.12	222.63	234.93
 * after direct transaction costs of:	 0.28	 2.50	 0.76
Performance			
Return after charges	(33.92%)	(5.24%)	1.82%
Other information			
Closing net asset value (£'000)	4,024	7,411	8,307
Closing number of shares	2,734,853	3,328,941	3,536,192
Operating charges	1.38%	1.38%	1.40%
Direct transaction costs	0.15%	1.05%	0.32%
Prices			
Highest share price	227.3	272.3	260.6
Lowest share price	147.2	202.8	219.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	238.51	250.49	244.89
Return before operating charges*	(78.41)	(9.79)	7.93
Operating charges	(1.82)	(2.19)	(2.33)
Return after operating charges*	(80.23)	(11.98)	5.60
Distributions	(4.82)	(3.94)	(3.75)
Retained distributions on accumulation shares	4.82	3.94	3.75
Closing net asset value per share	158.28	238.51	250.49
 * after direct transaction costs of:	 0.30	 2.51	 0.81
Performance			
Return after charges	(33.64%)	(4.78%)	2.29%
Other information			
Closing net asset value (£'000)	70,930	154,990	3,632
Closing number of shares	44,811,501	64,982,269	1,450,022
Operating charges	0.91%	0.92%	0.93%
Direct transaction costs	0.15%	1.05%	0.32%
Prices			
Highest share price	243.6	290.6	277.6
Lowest share price	158.4	217.1	233.3

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	207.42	221.67	219.96
Return before operating charges*	(68.45)	(8.81)	7.04
Operating charges	(0.06)	(0.07)	(0.11)
Return after operating charges*	(68.51)	(8.88)	6.93
Distributions	(5.69)	(5.37)	(5.22)
Closing net asset value per share	133.22	207.42	221.67
 * after direct transaction costs of:	 0.26	 2.37	 0.73
Performance			
Return after charges	(33.03%)	(4.01%)	3.15%
Other information			
Closing net asset value (£'000)	5,075	7,902	8,450
Closing number of shares	3,809,752	3,809,752	3,811,752
Operating charges	0.03%	0.03%	0.05%
Direct transaction costs	0.15%	1.05%	0.32%
Prices			
Highest share price	211.1	257.7	251.3
Lowest share price	133.2	193.4	210.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	258.43	269.29	261.18
Return before operating charges*	(85.26)	(10.55)	8.46
Operating charges	(0.24)	(0.31)	(0.35)
Return after operating charges*	(85.50)	(10.86)	8.11
Distributions	(6.97)	(6.43)	(6.10)
Retained distributions on accumulation shares	6.97	6.43	6.10
Closing net asset value per share	172.93	258.43	269.29
 * after direct transaction costs of:	 0.32	 2.88	 0.87
Performance			
Return after charges	(33.08%)	(4.03%)	3.11%
Other information			
Closing net asset value (£'000)	1,225	1,324	1,263
Closing number of shares	708,452	512,233	469,084
Operating charges	0.11%	0.11%	0.13%
Direct transaction costs	0.15%	1.05%	0.32%
Prices			
Highest share price	263.9	313.0	298.2
Lowest share price	173.1	234.9	249.5

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	118.95	125.08	122.41
Return before operating charges*	(39.07)	(4.84)	3.96
Operating charges	(1.01)	(1.29)	(1.29)
Return after operating charges*	(40.08)	(6.13)	2.67
Distributions	(2.31)	(1.83)	(1.71)
Retained distributions on accumulation shares	2.31	1.83	1.71
Closing net asset value per share	78.87	118.95	125.08
 * after direct transaction costs of:	 0.15	 1.34	 0.40
Performance			
Return after charges	(33.69%)	(4.90%)	2.18%
Other information			
Closing net asset value (£'000)	2,829	6,839	21,628
Closing number of shares	3,587,531	5,749,251	17,291,663
Operating charges	1.01%	1.01%	1.03%
Direct transaction costs	0.15%	1.05%	0.32%
Prices			
Highest share price	121.5	145.1	138.7
Lowest share price	78.92	108.3	116.6

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (99.28%)		83,942	99.83
Basic Materials (5.09%)		5,998	7.13
1,614,394	Ferrexpo	2,086	2.48
1,919,734	Glencore	3,710	4.41
4,868,885	Petra Diamonds	202	0.24
Consumer Goods (8.22%)		8,570	10.19
6,083,242	Accrol++	2,153	2.56
1,475,889	Dixons Carphone	1,795	2.14
2,708,151	McBride	1,836	2.18
960,285	McCarthy & Stone	1,286	1.53
296,425	SuperGroup	918	1.09
1,000,397	Topps Tiles	582	0.69
Consumer Services (18.18%)		11,286	13.42
456,717	Card Factory	359	0.43
461,937	Halfords	692	0.82
2,811,399	Lookers	1,271	1.51
2,439,692	N Brown	1,402	1.67
720,877	Playtech	1,802	2.14
5,318,382	SafeStyle++	2,175	2.59
8,726,699	Saga	2,817	3.35
3,580,188	XLMedia++	768	0.91
Financials (29.99%)		28,633	34.05
538,719	Aviva	1,889	2.25
1,022,025	Barclays	1,520	1.81
556,505	Capital & Regional REIT	1,032	1.23
884,619	CMC Markets	1,325	1.57
1,701,476	CYBG	2,583	3.07
1,071,449	Hammerson REIT	2,234	2.66
2,265,007	Hastings Group	3,690	4.39
1,532,689	International Personal Finance	2,229	2.65
5,986,299	Just Retirement	4,343	5.16
888,282	Provident Financial	3,568	4.24
750,423	Standard Chartered	4,220	5.02
Health Care (4.72%)		3,470	4.13
8,025,352	Indivior	3,470	4.13

Holding	Investment	Market value £'000	Percentage of total net assets
Industrials (9.26%)		5,930	7.05
674,534	Babcock International	2,991	3.56
694,839	Costain	1,151	1.37
455,777	De La Rue	634	0.75
6,984,204	Interserve*	-	-
825,684	Mitie Group	1,154	1.37
7,840,618	Utilitywise*	-	-
Oil & Gas (23.82%)		20,055	23.86
9,563,906	BowLeven++	587	0.70
2,679,300	Cairn Energy	3,724	4.43
800,738	Gulf Keystone Petroleum	1,185	1.41
14,176,688	Gulf Marine Services	788	0.94
444,236	Kosmos Energy	993	1.18
8,359,660	Lamprell	2,399	2.85
1,571,267	Petrofac	5,000	5.95
2,241,399	Pharos Energy	685	0.81
5,236,773	Savannah Petroleum++	699	0.83
1,784,210	Seplat Petroleum Development	1,847	2.20
1,768,398	Tullow Oil	596	0.71
424,043	Wood Group	1,552	1.85
Collective Investment Schemes (1.28%)		497	0.59
497	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	497	0.59
Total investment assets		84,439	100.42
Net other liabilities		(356)	(0.42)
Total Net Assets		84,083	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

* Suspended.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital losses	2	(57,137)	(10,113)
Revenue	4	4,894	1,764
Expenses	5	(1,252)	(782)
Interest payable and similar charges		(1)	–
Net revenue before taxation		3,641	982
Taxation	6	(36)	(39)
Net revenue after taxation		3,605	943
Total return before distributions		(53,532)	(9,170)
Distributions	7	(3,605)	(943)
Change in net assets attributable to shareholders from investment activities		(57,137)	(10,113)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	178,466	43,280
Amounts receivable on the issue of shares	7,534	162,176
Amounts payable on the cancellation of shares	(47,296)	(20,712)
	(39,762)	141,464
Dilution adjustment	125	1,048
Change in net assets attributable to shareholders from investment activities (see above)	(57,137)	(10,113)
Retained distribution on accumulation shares	2,391	2,787
Closing net assets attributable to shareholders	84,083	178,466

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		84,439	179,466
Current assets:			
Debtors	8	2,274	32
Cash and bank balances		21	21
		2,295	53
Total assets		86,734	179,519
Liabilities:			
Creditors	9	(2,434)	(848)
Distribution payable		(217)	(205)
		(2,651)	(1,053)
Total liabilities		(2,651)	(1,053)
Net assets attributable to shareholders		84,083	178,466

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Losses

	2020 £'000	2019 £'000
Non-derivative securities	(57,130)	(10,110)
Other losses	(2)	-
Transaction charges	(5)	(3)
Net capital losses	(57,137)	(10,113)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

Trades in the year	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	33,814	180,889	70,146	35,186
Collective investment schemes	39,971	38,963	41,757	37,518
Corporate actions	-	-	-	1,516
Trades in the year before transaction costs	73,785	219,852	111,903	74,220
Commissions				
Equities	27	141	(57)	(32)
Total commissions	27	141	(57)	(32)
Taxes				
Equities	128	755	-	-
Total taxes	128	755	-	-
Total transaction costs	155	896	(57)	(32)
Total net trades in the year after transaction costs	73,940	220,748	111,846	74,188

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.08	0.08	0.08	0.09
Taxes				
Equities	0.38	0.42	-	-

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.06	0.20
Taxes	0.09	0.85

At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.19% (2019: 0.68%), this is representative of the average spread on the assets held during the year.

4 Revenue

	2020 £'000	2019 £'000
UK dividends	4,534	1,645
Overseas dividends	143	56
Taxable distributions on offshore funds	14	7
Bank interest	–	4
Property income distributions	203	52
Total revenue	4,894	1,764

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	1,107	689
Dealing charge	2	10
Registration fees	104	57
	1,213	756
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	25	12
Safe custody fee	4	5
	29	17
Other:		
Professional fees	1	–
Audit fee	9	9
	10	9
Total expenses	1,252	782

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Overseas taxes	36	39
Total current tax	36	39
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	3,641	982
Corporation tax at 20% (2019: 20%)	728	196
Effects of:		
Revenue not subject to taxation	(936)	(340)
Overseas taxes	36	39
Overseas tax expensed	–	(3)
Excess allowable expenses	208	146
Total tax charge for year (note 6a)	36	38

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £849,000 (2019: £641,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	2,608	2,992
Add: Income deducted on cancellation of shares	1,090	328
Deduct: Income received on issue of shares	(93)	(2,377)
Net distribution for the year	3,605	943

Details of the distribution per share are set out in this Fund's distribution table.

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	369	4
Sales awaiting settlement	1,881	–
Accrued revenue	8	23
Foreign withholding tax recoverable	16	5
Total debtors	2,274	32

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	2,060	349
Purchases awaiting settlement	291	366
Accrued expenses payable to ACD	71	120
Accrued expenses payable to the Depositary or associates of the Depositary	2	4
Other accrued expenses	10	9
Total creditors	2,434	848

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	3,328,941	626,620	(1,186,542)	(34,166)	2,734,853
Institutional accumulation	64,982,269	2,641,288	(22,812,056)	-	44,811,501
Standard Life income	3,809,752	-	-	-	3,809,752
Standard Life accumulation	512,233	217,532	(21,313)	-	708,452
Platform 1 accumulation	5,749,251	661,218	(2,886,839)	63,901	3,587,531

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	83,942	-	-	177,182	-	-
Collective Investment Schemes	-	497	-	-	2,284	-
Total investment assets	83,942	497	-	177,182	2,284	-

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £4,222,000 (2019: £8,973,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £1,000 (2019: £1,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	13	13
US Dollar	7	7

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	498	83,565	84,063
Euro	13	–	13
US Dollar	7	–	7
2019			
Currency			
UK Sterling	2,285	176,161	178,446
Euro	13	–	13
US Dollar	7	–	7

d. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Retail Accumulation' was 147.12p. The Net Asset Value of share class 'Retail Accumulation' as at 12 noon on 17 June 2020 was 114.20p. This represents a decrease of 22.38% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	3.6324	-	3.6324*	2.5945
Group 2	0.9228	2.7096	3.6324*	2.5945
Institutional accumulation				
Group 1	4.8185	-	4.8185*	3.9435
Group 2	2.6695	2.1490	4.8185*	3.9435
Standard Life income				
Group 1	5.6948	-	5.6948**	5.3749
Group 2	5.6948	-	5.6948**	5.3749
Standard Life accumulation				
Group 1	6.9740	-	6.9740*	6.4344
Group 2	3.1465	3.8275	6.9740*	6.4344
Platform 1 accumulation				
Group 1	2.3055	-	2.3055*	1.8291
Group 2	0.9317	1.3738	2.3055*	1.8291

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

ASI UK Smaller Companies Fund

Investment objective

To generate growth over the long term (5 years or more) by investing in UK small-capitalisation equities (company shares).

Performance Target: To achieve the return of the Numis Smaller Companies Plus AIM ex Investment Companies Index plus 3% per (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the Fund. There is however no certainty or promise that they will achieve the Performance Target.

Performance Comparator: Investment Association UK Smaller Companies Sector Average.

The ACD believes this is an appropriate target/comparator for the Fund based on the investment policy of the Fund and the constituents of the index/sector.

Investment policy

Portfolio Securities

- The Fund will invest at least 60% in small-capitalisation equities and equity related securities of companies listed, incorporated, or domiciled in the UK or companies that derive a significant proportion of their revenues or profits from UK operations or have a significant proportion of their assets there.
- Small capitalisation companies are defined as any stock having a market cap less than the 10th percentile stock of the overall UK equity market.
- The Fund may also invest up to 40% in mid and larger capitalisation companies listed, incorporated or domiciled in the UK.
- The Fund may also invest in other funds (including those managed by Aberdeen Standard Investments) and money-market instruments, and cash.

Management Process

- The management team use their discretion (active management) to maintain a diverse asset mix at sector and stock level.
- Their primary focus is on stock selection using the management team's quality, growth and momentum approach. It aims to identify companies that exhibit a range of high quality characteristics, operate in growing markets and display positive business momentum.
- In seeking to achieve the Performance Target, the Numis Smaller Companies Plus AIM ex Investment Companies Index is used as a reference point for portfolio construction and as a basis for setting risk constraints. The expected variation ('tracking error') between the returns of the Fund and the index, should not exceed 10%. Due to the active nature of the Investment process, the Fund's performance profile may deviate significantly from that of the Numis Smaller Companies Plus AIM ex Investment Companies Index.

Please note: The Fund's ability to buy and sell small and midcapitalisation shares and the associated costs can be affected during periods of market stress. In certain circumstances investors in the Fund may not be able to sell their investment when they want to.

Derivatives and Techniques

- The Fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the Fund (often referred to as "Efficient Portfolio Management").
- Where derivatives are used, this would mainly be in response to significant inflows into the Fund so that in these instances, cash can be invested while maintaining the Fund's existing allocations to company shares.

Performance

Over the period under review, the Fund returned 22.0%. This compared to a return of 3.99% for our performance target (the Numis Smaller Companies Plus AIM ex Investment Companies Index +3%).

Games Workshop, the maker of miniature game *Warhammer*, continued to go from strength to strength, culminating in record-breaking results. The company announced £257 million in sales in 2019, marking an £81 million profit. Industrial supplies firm Diploma's share price hit an all-time high in November, propelled by double-digit earnings and revenue growth. Sales in its specialist divisions – life sciences, clinical diagnostics and controls – were particularly encouraging. A position in Future, the global platform for specialist media, boosted Fund returns. Shares in the company, whose portfolio includes *Classic Rock*, *Practical Caravan* and *Retro Gamer*, climbed more than 200% in 2019, thanks to its media division. Its announcement that it will buy TI Media for £140 million was therefore well-received by investors. Additional highlights included Gamma Communications, 4Imprint and Boohoo.

By contrast, a position in Frasers Group (formally Sports Direct) hurt Fund returns. Issues around corporate governance remain and continue to weigh on the stock. Fever-Tree, the maker of premium drinks-mixers, continued to drift, culminating in a dull trading update in January. The company appears to have reached its market share limit in the UK, while progress in the US is taking longer than hoped. We sold the stock. Eco Animal Health struggled, due to rising costs relating to a lack of vets.

Activity

We bought Computacentre, which provides computer services to public and private customers across Europe. The business is enjoying robust sales and is in a strong financial position. We therefore expect its earnings to continue to grow over the coming years. We added Intermediate Capital to the portfolio. The group, which supplies money to businesses looking to expand, is on something of a roll. It enjoys a dominant position in its market and is also growing outside the UK. Intermediate also offers an attractive dividend. Team17 is a video games developer. The firm announced record results for the last six months of 2019, with pre-tax profits jumping from £31,000 to £10.4 million. Performance was driven by the popularity of new releases such as WW2 simulation game *Hell Let Loose*.

By contrast, we exited YouGov. It has been scoring poorly on the Matrix (our computer-based research tool). This led us to review the investment case and, ultimately, sell the holding.

Synthetic Risk & Reward Indicator

Typically lower rewards, lower risk				Typically higher rewards, higher risk		
←				→		
1	2	3	4	5	6	7

This indicator reflects the volatility of the Fund's share price over the last five years which in turn reflects the volatility of the underlying assets in which the Fund invests. Historical data may not be a reliable indication for the future.

The current rating is not guaranteed and may change if the volatility of the assets in which the Fund invests changes. The lowest rating does not mean risk free.

The Fund is rated as 5 because of the extent to which the following risk factors apply:

- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The Fund's investments are concentrated in a particular country or sector.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the Fund being leveraged (where market exposure and thus the potential for loss by the Fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- The Fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.

All investment involves risk. This Fund offers no guarantee against loss or that the Fund's objective will be attained.

The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Inflation reduces the buying power of your investment and income.

The value of assets held in the Fund may rise and fall as a result of exchange rate fluctuations.

The Fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the Fund.

In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the Fund's ability to meet redemptions in a timely manner.

The Fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Comparative tables

Retail accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	691.47	721.57	580.09
Return before operating charges*	153.73	(20.17)	150.52
Operating charges	(10.93)	(9.93)	(9.04)
Return after operating charges*	142.80	(30.10)	141.48
Distributions	(4.33)	(3.91)	(2.79)
Retained distributions on accumulation shares	4.33	3.91	2.79
Closing net asset value per share	834.27	691.47	721.57
 * after direct transaction costs of:	 0.57	 0.39	 0.28
Performance			
Return after charges	20.65%	(4.17%)	24.39%
Other information			
Closing net asset value (£'000)	203,105	189,961	206,287
Closing number of shares	24,345,386	27,472,182	28,588,576
Operating charges	1.36%	1.36%	1.36%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	939.8	797.3	738.7
Lowest share price	696.9	634.7	587.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	818.38	850.02	680.15
Return before operating charges*	182.10	(23.98)	176.82
Operating charges	(8.52)	(7.66)	(6.95)
Return after operating charges*	173.58	(31.64)	169.87
Distributions	(9.61)	(8.66)	(6.94)
Retained distributions on accumulation shares	9.61	8.66	6.94
Closing net asset value per share	991.96	818.38	850.02
 * after direct transaction costs of:	 0.68	 0.45	 0.33
Performance			
Return after charges	21.21%	(3.72%)	24.98%
Other information			
Closing net asset value (£'000)	462,710	341,314	346,824
Closing number of shares	46,646,052	41,705,804	40,802,002
Operating charges	0.89%	0.89%	0.89%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	1,117.0	940.9	869.8
Lowest share price	825.0	750.6	688.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Retail income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	65.76	70.03	57.23
Return before operating charges*	14.61	(1.96)	14.85
Operating charges	(1.05)	(0.97)	(0.89)
Return after operating charges*	13.56	(2.93)	13.96
Distributions	(1.44)	(1.34)	(1.16)
Closing net asset value per share	77.88	65.76	70.03
 * after direct transaction costs of:	 0.05	 0.04	 0.03
Performance			
Return after charges	20.62%	(4.18%)	24.39%
Other information			
Closing net asset value (£'000)	7,632	4,744	8,389
Closing number of shares	9,799,345	7,214,003	11,979,379
Operating charges	1.36%	1.36%	1.36%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	89.38	77.40	72.88
Lowest share price	66.28	61.60	57.93

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	87.41	92.65	75.36
Return before operating charges*	19.43	(2.63)	19.60
Operating charges	(0.91)	(0.84)	(0.78)
Return after operating charges*	18.52	(3.47)	18.82
Distributions	(1.92)	(1.77)	(1.53)
Closing net asset value per share	104.01	87.41	92.65
 * after direct transaction costs of:	 0.07	 0.05	 0.04
Performance			
Return after charges	21.19%	(3.75%)	24.97%
Other information			
Closing net asset value (£'000)	28,035	15,888	13,638
Closing number of shares	26,953,580	18,175,500	14,721,013
Operating charges	0.89%	0.89%	0.89%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	119.3	102.6	96.36
Lowest share price	88.12	81.80	76.30

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	200.09	210.17	169.45
Return before operating charges*	44.44	(6.12)	44.14
Operating charges	(0.02)	(0.02)	(0.02)
Return after operating charges*	44.42	(6.14)	44.12
Distributions	(4.30)	(3.94)	(3.40)
Closing net asset value per share	240.21	200.09	210.17
 * after direct transaction costs of:	 0.17	 0.11	 0.08
Performance			
Return after charges	22.20%	(2.92%)	26.04%
Other information			
Closing net asset value (£'000)	7,960	7,490	8,538
Closing number of shares	3,313,918	3,743,287	4,062,296
Operating charges	0.01%	0.01%	0.01%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	275.4	233.4	218.4
Lowest share price	201.7	186.9	171.7

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Standard Life accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	290.54	299.44	237.72
Return before operating charges*	64.64	(8.63)	61.97
Operating charges	(0.30)	(0.27)	(0.25)
Return after operating charges*	64.34	(8.90)	61.72
Distributions	(6.03)	(5.42)	(4.61)
Retained distributions on accumulation shares	6.03	5.42	4.61
Closing net asset value per share	354.88	290.54	299.44
 * after direct transaction costs of:	 0.24	 0.16	 0.12
Performance			
Return after charges	22.14%	(2.97%)	25.96%
Other information			
Closing net asset value (£'000)	7,562	6,057	6,271
Closing number of shares	2,130,880	2,084,918	2,094,218
Operating charges	0.09%	0.09%	0.09%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	399.6	332.4	306.2
Lowest share price	292.9	266.1	240.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional regulated accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	414.14	428.43	341.45
Return before operating charges*	92.24	(12.16)	88.91
Operating charges	(2.37)	(2.13)	(1.93)
Return after operating charges*	89.87	(14.29)	86.98
Distributions	(6.81)	(6.11)	(5.07)
Retained distributions on accumulation shares	6.81	6.11	5.07
Closing net asset value per share	504.01	414.14	428.43
 * after direct transaction costs of:	 0.34	 0.23	 0.17
Performance			
Return after charges	21.70%	(3.34%)	25.47%
Other information			
Closing net asset value (£'000)	391,204	329,698	353,379
Closing number of shares	77,618,554	79,609,699	82,481,385
Operating charges	0.49%	0.49%	0.49%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	567.6	475.0	438.2
Lowest share price	417.5	379.6	345.8

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Platform 1 accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	121.17	125.98	100.90
Return before operating charges*	26.95	(3.55)	26.23
Operating charges	(1.40)	(1.26)	(1.15)
Return after operating charges*	25.55	(4.81)	25.08
Distributions	(1.28)	(1.15)	(0.91)
Retained distributions on accumulation shares	1.28	1.15	0.91
Closing net asset value per share	146.72	121.17	125.98
 * after direct transaction costs of:	 0.10	 0.07	 0.05
Performance			
Return after charges	21.09%	(3.82%)	24.86%
Other information			
Closing net asset value (£'000)	259,463	194,238	209,379
Closing number of shares	176,840,627	160,304,880	166,203,721
Operating charges	0.99%	0.99%	0.99%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	165.3	139.4	128.9
Lowest share price	122.1	111.2	102.2

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	88.86	92.18	73.67
Return before operating charges*	19.79	(2.60)	19.16
Operating charges	(0.80)	(0.72)	(0.65)
Return after operating charges*	18.99	(3.32)	18.51
Distributions	(1.17)	(1.05)	(0.85)
Retained distributions on accumulation shares	1.17	1.05	0.85
Closing net asset value per share	107.85	88.86	92.18
 * after direct transaction costs of:	 0.07	 0.05	 0.04
Performance			
Return after charges	21.37%	(3.60%)	25.13%
Other information			
Closing net asset value (£'000)	334,764	268,177	266,107
Closing number of shares	310,394,422	301,805,474	288,679,049
Operating charges	0.77%	0.77%	0.77%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	121.5	102.1	94.31
Lowest share price	89.57	81.50	74.60

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional S income	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	80.00	84.69	68.80
Return before operating charges*	17.82	(2.41)	17.90
Operating charges	(0.72)	(0.66)	(0.61)
Return after operating charges*	17.10	(3.07)	17.29
Distributions	(1.76)	(1.62)	(1.40)
Closing net asset value per share	95.34	80.00	84.69
 * after direct transaction costs of:	 0.07	 0.05	 0.03
Performance			
Return after charges	21.38%	(3.62%)	25.13%
Other information			
Closing net asset value (£'000)	40,854	33,778	35,934
Closing number of shares	42,851,892	42,219,582	42,430,306
Operating charges	0.77%	0.77%	0.77%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	109.4	93.80	88.08
Lowest share price	80.65	74.90	69.67

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Institutional A accumulation	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	70.10	73.40	59.20
Return before operating charges*	15.58	(2.05)	15.35
Operating charges	(1.39)	(1.25)	(1.15)
Return after operating charges*	14.19	(3.30)	14.20
Distributions	(0.17)	(0.15)	(0.06)
Retained distributions on accumulation shares	0.17	0.15	0.06
Closing net asset value per share	84.29	70.10	73.40
 * after direct transaction costs of:	 0.06	 0.04	 0.03
Performance			
Return after charges	20.24%	(4.50%)	23.99%
Other information			
Closing net asset value (£'000)	441	274	294
Closing number of shares	523,704	390,874	400,769
Operating charges	1.69%	1.69%	1.69%
Direct transaction costs	0.07%	0.05%	0.04%
Prices			
Highest share price	94.97	81.00	75.16
Lowest share price	70.65	64.40	59.91

The closing net asset value (£'000) divided by the closing number of shares may not calculate to the closing net asset value per share (p) due to rounding differences. The published closing net asset value per share (p) is based on unrounded values and represents the actual price.

The return after charges figures are based on the accounting NAV, as the financial statements are produced at a valuation point that is different from the published daily NAV.

Operating charges are expenses associated with the maintenance and administration of the Fund on a day to day basis that are actually borne by the share class.

Highest and Lowest prices are based on official published daily NAVs.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
UK Equities (92.41%)		1,591,728	91.28
Consumer Goods (17.53%)		337,491	19.35
12,359,968	Boohoo.com++	35,955	2.06
1,488,582	Cranswick	49,540	2.84
1,786,983	Focusrite++	9,650	0.55
980,914	Games Workshop	61,749	3.54
2,022,258	Greggs	42,225	2.42
4,663,988	Hilton Food	48,039	2.76
3,843,138	Hotel Chocolat++	15,622	0.90
7,131,771	JD Sports	52,547	3.01
4,802,713	Team17++	22,164	1.27
Consumer Services (14.30%)		297,432	17.06
1,884,064	4Imprint	52,000	2.98
4,036,410	Dart Group++	49,567	2.84
4,465,314	Future	51,530	2.96
2,866,956	GlobalData++	34,117	1.96
6,493,876	Hollywood Bowl	15,715	0.90
7,124,189	Motorpoint	21,586	1.24
2,736,223	Next Fifteen Communications++	13,052	0.75
2,217,266	On the Beach	7,162	0.41
8,179,330	Trainline	37,911	2.17
2,231,008	YouGov++	14,792	0.85
Financials (11.41%)		265,843	15.25
7,184,455	AJ Bell	25,577	1.47
2,548,313	Big Yellow	27,140	1.56
721,627	Brooks Macdonald++	14,865	0.85
1,751,653	IntegraFin	8,382	0.48
3,964,303	JTC	17,601	1.01
1,553,414	Liontrust Asset Management	17,165	0.98
1,509,750	Mattioli Woods++	12,682	0.73
4,286,021	Paragon	19,493	1.12
6,180,889	Safestore	48,891	2.80
22,490,100	Sirius Real Estate	18,104	1.04
4,946,361	Workspace	55,943	3.21
Health Care (8.38%)		36,472	2.09
796,004	Abcam++	9,194	0.53
1,031,679	Dechra Pharmaceuticals	27,278	1.56

Holding	Investment	Market value £'000	Percentage of total net assets
Industrials (24.04%)		370,441	21.24
65,472	Avon Rubber	1,784	0.10
2,989,998	Diploma	56,182	3.22
3,100,655	DiscoverIE	15,875	0.91
1,940,419	Fisher (J) & Sons	35,665	2.05
1,272,970	Gooch & Housego++	15,085	0.86
2,831,478	Hill & Smith	37,829	2.17
6,464,594	Marshalls	46,965	2.69
4,547,916	Midwich++	25,059	1.44
2,775,559	PayPoint	23,009	1.32
2,367,103	Ricardo	15,528	0.89
8,280,177	RWS++	43,388	2.49
3,278,844	Sanne	18,657	1.07
1,172,686	XP Power	35,415	2.03
Technology (10.78%)		187,106	10.73
1,888,186	Computacenter	31,193	1.79
446,699	Craneware++	8,443	0.48
2,365,638	FDM	20,344	1.17
1,360,033	First Derivatives++	37,537	2.15
7,034,535	GB++	45,302	2.60
5,952,502	Kainos	44,287	2.54
Telecommunications (5.97%)		96,943	5.56
5,494,105	Gamma Communication++	66,204	3.80
2,307,753	Telecom Plus	30,739	1.76
Collective Investment Schemes (4.96%)		89,022	5.11
89,022	Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund+	89,022	5.11
Total investment assets		1,680,750	96.39
Net other assets		62,980	3.61
Total Net Assets		1,743,730	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

+ Managed by subsidiaries of Standard Life Aberdeen plc.

++ AIM listed.

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains/(losses)	2	264,015	(72,513)
Revenue	4	30,301	28,194
Expenses	5	(13,423)	(12,510)
Net revenue before taxation		16,878	15,684
Taxation	6	-	-
Net revenue after taxation		16,878	15,684
Total return before distributions		280,893	(56,829)
Distributions	7	(17,430)	(16,190)
Change in net assets attributable to shareholders from investment activities		263,463	(73,019)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	1,391,619	1,455,040
Amounts receivable on the issue of shares	211,193	126,928
Amounts payable on the cancellation of shares	(139,707)	(131,891)
	71,486	(4,963)
Dilution adjustment	326	(127)
Change in net assets attributable to shareholders from investment activities (see above)	263,463	(73,019)
Retained distribution on accumulation shares	16,836	14,688
Closing net assets attributable to shareholders	1,743,730	1,391,619

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Investment assets		1,680,750	1,355,069
Current assets:			
Debtors	8	10,988	3,358
Cash and bank balances		65,333	38,633
		76,321	41,991
Total assets		1,757,071	1,397,060
Liabilities:			
Creditors	9	(11,784)	(4,192)
Distribution payable		(1,557)	(1,249)
		(13,341)	(5,441)
Total liabilities		(13,341)	(5,441)
Net assets attributable to shareholders		1,743,730	1,391,619

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net Capital Gains/(Losses)

	2020 £'000	2019 £'000
Non-derivative securities	264,022	(72,509)
Other losses	–	(1)
Transaction charges	(7)	(3)
Net capital gains/(losses)	264,015	(72,513)

3 Equity Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of collective investment schemes during the year, or in the prior year.

Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into Funds that require an initial charge to be made. The underlying price may contain an estimation of cost known as a dilution adjustment which is applied from time to time.

	Purchases		Sales	
Trades in the year	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	259,147	168,428	218,561	239,041
Collective investment schemes	103,776	222,055	83,839	185,478
Corporate actions	–	3,030	–	–
Trades in the year before transaction costs	362,923	393,513	302,400	424,519
Commissions				
Equities	201	136	(135)	(154)
Total commissions	201	136	(135)	(154)
Taxes				
Equities	799	492	–	–
Total taxes	799	492	–	–
Total transaction costs	1,000	628	(135)	(154)
Total net trades in the year after transaction costs	363,923	394,141	302,265	424,365

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
Total transaction costs expressed as a percentage of asset type cost				
Commissions				
Equities	0.08	0.08	0.06	0.06
Taxes				
Equities	0.31	0.29	–	–

	2020 %	2019 %
Total transaction costs expressed as a percentage of net asset value		
Commissions	0.02	0.02
Taxes	0.05	0.03
At the balance sheet date the average portfolio dealing spread (i.e. the spread between bid and offer prices expressed as a percentage of the offer price) was 0.81% (2019: 0.76%), this is representative of the average spread on the assets held during the year.		

4 Revenue

	2020 £'000	2019 £'000
UK dividends	29,504	25,029
Overseas dividends	6	–
Taxable distributions on offshore funds	704	182
Bank interest	87	286
Property income distributions	–	2,697
Total revenue	30,301	28,194

5 Expenses

	2020 £'000	2019 £'000
<i>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</i>		
Authorised Corporate Director's periodic charge	11,948	11,153
Dealing charge	220	203
Registration fees	1,108	1,015
	13,276	12,371
<i>Payable to the Depositary or associates of the Depositary, and agents of either of them:</i>		
Depositary's fees	98	91
Safe custody fee	38	39
	136	130
Other:		
Professional fees	2	–
Audit fee	9	9
	11	9
Total expenses	13,423	12,510

6 Taxation

	2020 £'000	2019 £'000
(a) Analysis of charge in year		
Total current tax	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is less than the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%).		
The differences are explained below:		
Net revenue before taxation	16,878	15,684
Corporation tax at 20% (2019: 20%)	3,376	3,137
Effects of:		
Revenue not subject to taxation	(5,230)	(5,006)
Excess allowable expenses	1,854	1,869
Total tax charge for year (note 6a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £23,330,000 (2019: £21,476,000) due to surplus ACD expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
Distribution	18,393	15,937
Add: Income deducted on cancellation of shares	903	1,016
Deduct: Income received on issue of shares	(1,866)	(763)
Net distribution for the year	17,430	16,190
Details of the distribution per share are set out in this Fund's distribution table.		
Net revenue after taxation	16,878	15,684
Annual ACD charge to capital	494	452
Registration fees taken from the capital account	47	42
Dealing charges taken from the capital account	11	12
Total distributions	17,430	16,190

8 Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	9,635	598
Sales awaiting settlement	–	2,091
Accrued revenue	1,353	669
Total debtors	10,988	3,358

9 Creditors

	2020 £'000	2019 £'000
Amounts payable to the ACD for cancellation of shares	10,504	1,582
Purchases awaiting settlement	–	1,686
Accrued expenses payable to ACD	1,242	878
Accrued expenses payable to the Depositary or associates of the Depositary	18	28
Other accrued expenses	20	18
Total creditors	11,784	4,192

10 Related Party Transactions

Aberdeen Standard Fund Managers Limited, as Authorised Corporate Director (ACD), is a related party and acts as principal in respect of all transactions of shares in the Fund.

The aggregate monies received through issue and paid on cancellation of shares are disclosed in the statement of change in net assets attributable to shareholders.

Any amounts due from or due to Aberdeen Standard Fund Managers Limited at the end of the accounting year are disclosed in notes 8 and 9.

Amounts payable to Aberdeen Standard Fund Managers Limited, in respect of periodic charge and registration services, are disclosed in note 5 and any amounts due at the year end in note 9.

11 Shares in issue reconciliation

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
Retail accumulation	27,472,182	610,042	(2,282,370)	(1,454,468)	24,345,386
Institutional accumulation	41,705,804	7,196,671	(2,343,861)	87,438	46,646,052
Retail income	7,214,003	3,433,844	(1,005,546)	157,044	9,799,345
Institutional income	18,175,500	11,459,163	(3,355,385)	674,302	26,953,580
Standard Life income	3,743,287	–	(429,369)	–	3,313,918
Standard Life accumulation	2,084,918	319,741	(269,097)	(4,682)	2,130,880
Institutional regulated accumulation	79,609,699	5,553,360	(7,544,505)	–	77,618,554
Platform 1 accumulation	160,304,880	29,116,340	(13,108,768)	528,175	176,840,627
Institutional S accumulation	301,805,474	33,349,316	(34,010,936)	9,250,568	310,394,422
Institutional S income	42,219,582	10,298,305	(9,403,347)	(262,648)	42,851,892
Institutional A accumulation	390,874	138,500	(5,670)	–	523,704

12 Fair Value Hierarchy

	2020 £'000	2020 £'000	2020 £'000	2019 £'000	2019 £'000	2019 £'000
Fair value of investment assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Equities	1,591,728	–	–	1,285,984	–	–
Collective Investment Schemes	–	89,022	–	–	69,085	–
Total investment assets	1,591,728	89,022	–	1,285,984	69,085	–

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1: Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

13 Risk Management Policies & Numerical Disclosures

In accordance with the investment objectives, the Fund may hold certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- cash and short-term debtors and creditors arising directly from operations; and
- derivatives.

The main risks arising from the Fund's financial instruments are market price, foreign currency, interest rate, credit and liquidity risk.

The policies for managing these risks are summarised below and have been applied consistently throughout the year, and prior year.

a. Market price risk

Each Fund's investment portfolio is exposed to market price fluctuation which are monitored by the Fund Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers mitigate the risk of excessive exposure to any particular type of security or issuer.

An increase or decrease in market values will therefore have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Fund.

A five per cent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets as at year end date by £84,037,000 (2019: £67,754,000). A five per cent decrease would have an equal and opposite effect.

b. Foreign currency risk

A proportion of the net assets of the Fund are denominated in currencies other than Sterling, therefore the balance sheet and total returns can be affected by currency movements. In certain circumstances, the Fund Manager may seek to manage exposure to currency movements by using forward currency contracts.

The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Income received in foreign currencies is converted into Sterling at the exchange rates ruling when the income is received.

A five per cent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets as at year end date by £1,000 (2019: £1,000). A five per cent decrease would have an equal and opposite effect.

Currency exposure

An increase or decrease in a particular foreign currency exchange rate will have a proportionate affect on the value of the Fund.

The net foreign currency exposure comprises:

	Net foreign currency assets	
	2020 £'000	2019 £'000
Euro	17	17

c. Interest rate risk

Interest receivable on bank deposits or payable on bank overdrafts will be affected by fluctuations in interest rates. The Fund Manager continuously reviews interest rates and inflation expectations. The assessment of this may result in a change in investment strategy.

In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the income potential of the Fund also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Fund). A decline in interest rates will, in general, have the opposite effect. The Fund's exposure to interest rate risk is considered insignificant. This is consistent with the exposure during the prior year.

The interest rate risk profile of the Fund's financial assets and liabilities is:

	Floating rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
2020			
Currency			
UK Sterling	154,338	1,589,375	1,743,713
Euro	17	-	17
2019			
Currency			
UK Sterling	107,701	1,283,901	1,391,602
Euro	17	-	17

d. Credit risk

All cash exposures are carefully managed to ensure that money is placed on deposit with counterparties that meet the minimum credit rating deemed appropriate for this Fund. In certain circumstances, the Fund Manager may deliberately invest in securities (e.g. corporate bonds) with a well defined and published credit rating. In this case the Fund would be deliberately taking credit risk in order to seek additional rewards.

e. Liquidity risk

The Fund's assets comprise mainly readily realisable securities. The main liabilities of the Fund are the redemption of any shares that investors wish to sell and the settlement of stock purchases. The Fund Manager reviews the cash and liability position continuously, and should an increase in liquidity be required, the Fund Manager will sell securities.

14 Subsequent events

Investments in financial markets are affected by many factors, many of which have shifted following the outbreak of coronavirus, officially known as COVID-19. The Fund invests in a portfolio of assets, whose values have fallen since the year-end, primarily on concerns about how COVID-19 will affect the economy and economic growth around the world. Global growth is likely to be slower as efforts to contain the virus are implemented.

The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. As at the close of business on the balance sheet date the Net Asset Value of share class 'Institutional A Accumulation' was 84.29p. The Net Asset Value of share class 'Institutional A Accumulation' as at 12 noon on 17 June 2020 was 83.22p. This represents a decrease of 1.27% from the year-end value. The other share classes in the Fund have fallen by a similar magnitude. However, the uncertainty caused by the emergence and spread of COVID-19 means that the impact in the longer term is unknown.

Distribution table

For the year ended 29 February 2020

Group 1 - shares purchased prior to 1 March 2019

Group 2 - shares purchased between 1 March 2019 and 29 February 2020

	Net Income 2020 pence per share	Equalisation 2020 pence per share	Distribution paid 2020 pence per share	Distribution paid 2019 pence per share
Retail accumulation				
Group 1	4.3266	-	4.3266*	3.9103
Group 2	0.9176	3.4090	4.3266*	3.9103
Institutional accumulation				
Group 1	9.6063	-	9.6063*	8.6570
Group 2	1.9821	7.6242	9.6063*	8.6570
Retail income				
Group 1	1.4441	-	1.4441**	1.3353
Group 2	0.3963	1.0478	1.4441**	1.3353
Institutional income				
Group 1	1.9232	-	1.9232**	1.7701
Group 2	0.5918	1.3314	1.9232**	1.7701
Standard Life income				
Group 1	4.3041	-	4.3041**	3.9437
Group 2	-	-	-	-
Standard Life accumulation				
Group 1	6.0296	-	6.0296*	5.4217
Group 2	1.5029	4.5267	6.0296*	5.4217
Institutional regulated accumulation				
Group 1	6.8068	-	6.8068*	6.1112
Group 2	1.8325	4.9743	6.8068*	6.1112
Platform 1 accumulation				
Group 1	1.2802	-	1.2802*	1.1545
Group 2	0.3819	0.8983	1.2802*	1.1545
Institutional S accumulation				
Group 1	1.1679	-	1.1679*	1.0514
Group 2	0.3529	0.8150	1.1679*	1.0514
Institutional S income				
Group 1	1.7617	-	1.7617**	1.6190
Group 2	0.5771	1.1846	1.7617**	1.6190
Institutional A accumulation				
Group 1	0.1684	-	0.1684*	0.1522
Group 2	-	0.1684	0.1684*	0.1522

* Distribution accumulated on 29 February 2020

** Distribution paid on 30 April 2020

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Global Emerging Markets Equity Unconstrained Fund (closed)

Investment Report

All shares in the Fund were redeemed and cancelled. The Fund will formally terminate at a later date after all residual assets and liabilities are settled. The Fund is not open to new investors.

Portfolio Statement

As at 29 February 2020

Holding	Investment	Market value £'000	Percentage of total net assets
Pacific Basin Equities (0.00%)		-	-
China (0.00%)		-	-
5,196,000	Tianhe Chemicals*	-	-
Total investment assets		-	-
Net other assets		-	-
Total Net Assets		-	-

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

The percentage figures in brackets show the comparative holding as at 28 February 2019.

* Suspended

Statement of Total Return

For the year ended 29 February 2020

	Notes	2020 £'000	2019 £'000
Income:			
Net capital gains	2	-	-
Revenue	4	-	1
Expenses	5	-	(1)
Net revenue before taxation		-	-
Taxation	6	-	-
Net revenue after taxation		-	-
Total return before distributions		-	-
Distributions	7	-	-
Change in net assets attributable to shareholders from investment activities		-	-

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 29 February 2020

	2020 £'000	2019 £'000
Opening net assets attributable to shareholders	-	-
Amounts receivable on the issue of shares	-	-
Amounts payable on the cancellation of shares	-	-
Dilution adjustment	-	-
Change in net assets attributable to shareholders from investment activities (see above)	-	-
Change in provision for Fund closure	-	-
Closing net assets attributable to shareholders	-	-

Balance Sheet

As at 29 February 2020

	Notes	2020 £'000	2019 £'000
Assets:			
Fixed assets:			
Current assets:			
Debtors		–	–
Cash and bank balances		1	1
			1
Total assets			1
Liabilities:			
Creditors	8	(1)	(1)
			(1)
Total liabilities			(1)
Net assets attributable to shareholders			–

Notes to the Financial Statements

1 Accounting Policies

Please refer to pages 13 to 15 for note on accounting policies.

2 Net capital gains

	2020 £000	2019 £000
Non-derivative securities	-	-
Transaction charges	-	-
Net capital gains	-	-

3 Purchases, Sales and Transaction Costs

There are no transaction costs associated with the purchases or sales of bonds, collective investment schemes and derivatives during the year, or in the prior year.

4 Revenue

	2020 £000	2019 £000
Other income	-	1
Total revenue	-	1

5 Expenses

	2020 £000	2019 £000
Other:		
Professional fees	-	(1)
Total expenses	-	(1)

6 Taxation

	2020 £000	2019 £000
(a) Analysis of charge in year		
Total current tax	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is the same as the standard rate of corporation tax in the UK for Funds of authorised Open-Ended Investment Companies (20%). The differences are explained below:		
Net revenue before taxation	-	-
Corporation tax at 20% (2019: 20%)	-	-
Total tax charge for year (note 6a)	-	-

Authorised Open-Ended Investment Companies are exempt from tax on capital gains in the UK. Therefore, any capital return is not included in the above reconciliation.

(c) Factors that may affect future tax charge

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £51,000 (2019: £51,000) due to surplus expenses. It is unlikely that the Fund will generate sufficient taxable profits to utilise these amounts and therefore no deferred tax asset has been recognised in the year or the prior year.

7 Distributions

(a) The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £000	2019 £000
Net distribution for the year	-	-
(b) Difference between net revenue and distribution		
Net revenue after taxation for the year	-	-
Deduct: Revenue transferred to capital	-	-
Net distribution for the year	-	-

8 Creditors

	2020 £000	2019 £000
Other accrued expenses	-	-
Residual payment due in respect of ongoing Fund closure	1	1
Total creditors	1	1

Remuneration Policy (unaudited)

Remuneration Policy

The Standard Life Aberdeen plc Remuneration Policy applies with effect from 1 January 2018. The purpose of the Standard Life Aberdeen plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of Standard Life Aberdeen. It has been approved by the Standard Life Aberdeen plc Remuneration Committee and is subject to the Remuneration Committee's annual review. The Policy applies to employees of the Standard Life Aberdeen group of companies ("SLA").

The Management Company, Aberdeen Standard Fund Managers Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is a wholly owned subsidiary of Standard Life Aberdeen plc.

The Remuneration Committee of Standard Life Aberdeen plc adopted a UCITS V Remuneration Policy to ensure that the requirements of the Undertakings for Collective Investment Transferrable Securities V Directive (UCITS V) are fully adhered to by the group. This policy applies to Aberdeen Standard Fund Managers Limited and the UCITS Funds it manages. This policy is available on request.

Remuneration Principles

SLA applies Group wide principles for remuneration policies, procedures and practices ensuring that remuneration design and the basis for awards will be clear, transparent and fair, in line with business strategy, objectives, culture, values and long term interests of SLA. Remuneration policies, procedures and practices should be consistent with and promote good conduct which includes sound and effective risk management and not encourage risk taking that exceeds the level of tolerated risk of SLA. Total variable remuneration will be funded through pre-agreed distribution metrics. Where SLA's financial performance is subdued or negative, total variable remuneration should generally be contracted, taking into account both current remuneration and reductions in pay-outs of amounts previously granted and having regard for SLA's long term economic viability.

In addition to applying the SLA wide principles above, Aberdeen Standard Investments ("ASI") applies a number of additional principles including the following, when determining remuneration for employees:

- a) Remuneration should be competitive and reflect both financial, non-financial and personal performance;
- b) Our remuneration design will align the interests of employees, shareholders and importantly our clients/customers;
- c) Our remuneration structure will reward delivery of results over appropriate time horizons and will include deferred variable compensation at an appropriate level for the employee's role;
- d) We will provide an appropriate level of fixed remuneration to balance risk and reward.

Governance and Regulatory Compliance

The Remuneration Committee is made up of independent non-executive directors and makes recommendations to the Board of Standard Life Aberdeen plc (the "Board") to assist it with its remuneration related duties. The Chief People Officer of Standard Life Aberdeen is responsible for ensuring the implementation of the Policy in consultation with the Remuneration Committee as well as other members of the Executive Committee ("Executive Body") (as defined by the Board), if appropriate.

Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of Group, Divisional and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account. Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the Group's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

Conflicts of interest

The Conflicts of Interest Policy is designed to avoid conflicts of interest between SLA and its clients. This Policy prohibits any employee from being involved in decisions on their own remuneration. Furthermore, all employees are required to adhere to SLA's Global Code of Conduct, which encompasses conflicts of interest.

The Policy should, at all times, adhere to local legislation, regulations or other provisions. In circumstances or in jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions, then the latter will prevail.

Remuneration Framework

Employee remuneration is composed principally of fixed and variable elements of reward as follows:

- a) Fixed reward (fixed remuneration: salary (and cash allowances, if appropriate); and Benefits (including pension).
- b) Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements) and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

- a) Fixed and variable components of total remuneration are appropriately balanced and
- b) The fixed component is a sufficiently high proportion of total remuneration to allow Standard Life Aberdeen to operate a fully flexible policy on variable remuneration components, including paying no variable remuneration component.

<i>Fixed Remuneration</i>	Base salary provides a core reward for undertaking the role, where appropriate, and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration.
<i>Benefits</i>	Benefits are made up of: core benefits, which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees and which may require contribution through salary sacrifice or other arrangements. Extra voluntary benefits are designed to support the health and wellbeing of employees through enabling individual selection based on lifestyle choices. Standard Life Aberdeen will ensure that the core and voluntary employee benefits policies are in line with relevant market practice, its views on managing its business risk objectives, culture and values and long-term interests and local requirements.
<i>Pension</i>	Standard Life Aberdeen's pension policies (which consist of defined contribution plans and legacy defined benefit plans) are in line with legislative requirements, governance structures and market practice, and reflect Standard Life Aberdeen's long-term views on risk and financial volatility, its business objectives, culture and values and long-term interests and local requirements. In certain circumstances, SLA may offer a cash allowance in lieu of any pension arrangement.
<i>Annual Performance Bonus Awards</i>	Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year. Eligibility criteria for an annual bonus are set out in the rules of the relevant bonus plan and/or contract of employment, as appropriate. The bonus plan in place is designed to reward performance in line with the business strategy, objectives, culture and values, long term interests and risk appetite of SLA. All Executive Directors are awarded bonuses under a SLA bonus plan as detailed in the Directors' Remuneration Report.
<i>Other variable Pay Plans</i>	Selected employees may participate in other variable pay plans, for example, performance fee share arrangements, where it is appropriate for their role or business unit. These plans operate under the overarching remuneration principles that apply across the group and, where appropriate, are also subject to specific principles governing incentives and are compliant with the requirements of any applicable regulatory standards.

Clawback/Malus

A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Guaranteed Variable Remuneration

Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of service.

UCITS V Identified Staff

Staff considered UCITS V Identified Staff are those categories of staff whose professional activities have a material impact on the decision making profiles of the Management Company or the UCITS Funds that the Management Company manages.

UCITS V identified staff will include; Senior Management; Decision makers, Staff engaged in control functions; and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and decision makers, and whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

Control Functions

SLA adheres to the principles and guidelines of regulations that apply to SLA in defining control functions. control functions include, but are not necessarily limited to, Risk, Compliance, Internal Audit and Actuarial functions or roles.

SLA will ensure that, as appropriate, senior employees engaged in a control function:

- a) Are independent from the Business Units they oversee;
- b) Have appropriate authority, and
- c) Their remuneration is directly overseen by the Remuneration Committee.

This is achieved by the main control functions being outside the business, and a material proportion of their annual incentives being subject to a scorecard based on the performance of the control function. Performance against the scorecard is reviewed by the relevant independent governing committee (either Risk & Capital Committee, or Audit Committee). SLA's People Function reviews the remuneration of employees in control functions and benchmarks with the external market to ensure that it is market competitive and adequately reflects employees' skills and experience.

Personal Hedging

UCITS V Identified Staff are not permitted to undermine the risk alignment effects of the UCITS V Remuneration Code. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Employee Remuneration Disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its entire staff; and
- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its 'Identified Staff'.

The 'Identified Staff' of Aberdeen Standard Fund Managers Limited are those employees who could have a material impact on the risk profile of Aberdeen Standard Fund Managers Limited or the UCITS Funds it manages, including the following UCITS funds:

ASI (SLI) Asian Pacific Growth Equity Fund
 ASI (SLI) Corporate Bond Fund
 ASI (SLI) Emerging Markets Equity Fund
 ASI AAA Bond Fund
 ASI American Income Equity Fund
 ASI American Unconstrained Equity Fund
 ASI Emerging Market Government Bond Fund
 ASI Emerging Markets Income Equity Fund
 ASI Europe ex UK Growth Equity Fund
 ASI Europe ex UK Income Equity Fund
 ASI Europe ex UK Smaller Companies Fund
 ASI Global Balanced Growth Fund
 ASI Global Income Equity Fund
 ASI Global Smaller Companies Fund
 ASI Global Unconstrained Equity Fund
 ASI High Yield Bond Fund
 ASI Investment Grade Corporate Bond Fund
 ASI Japanese Growth Equity Fund
 ASI Short Duration Credit Fund
 ASI UK Ethical Equity Fund
 ASI UK Government Bond Fund
 ASI UK Growth Equity Fund
 ASI UK High Alpha Equity Fund
 ASI UK High Income Equity Fund
 ASI UK Opportunities Equity Fund
 ASI UK Recovery Equity Fund
 ASI UK Smaller Companies Fund

This broadly includes senior management, decision makers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from **1 January 2019 to 31 December 2019** inclusive.

ASI (SLI) Asian Pacific Growth Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	59
of which			
Fixed remuneration		16,642	41
Variable remuneration		7,371	18
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	28
of which			
Senior Management ³	16	1,213	3
Other 'Identified Staff'	223	10,318	25

ASI (SLI) Corporate Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	324
of which			
Fixed remuneration		16,642	225
Variable remuneration		7,371	99
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	155
of which			
Senior Management ³	16	1,213	16
Other 'Identified Staff'	223	10,318	139

ASI (SLI) Emerging Markets Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	298
of which			
Fixed remuneration		16,642	207
Variable remuneration		7,371	91
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	143
of which			
Senior Management ³	16	1,213	15
Other 'Identified Staff'	223	10,318	128

ASI AAA Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	253
of which			
Fixed remuneration		16,642	175
Variable remuneration		7,371	78
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	121
of which			
Senior Management ³	16	1,213	12
Other 'Identified Staff'	223	10,318	109

ASI American Income Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	119
of which			
Fixed remuneration		16,642	82
Variable remuneration		7,371	37
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	57
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	51

ASI American Unconstrained Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	110
of which			
Fixed remuneration		16,642	76
Variable remuneration		7,371	34
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	53
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	47

ASI Emerging Market Government Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	86
of which			
Fixed remuneration		16,642	60
Variable remuneration		7,371	26
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	41
of which			
Senior Management ³	16	1,213	4
Other 'Identified Staff'	223	10,318	37

ASI Emerging Markets Income Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	1,082
of which			
Fixed remuneration		16,642	750
Variable remuneration		7,371	332
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	520
of which			
Senior Management ³	16	1,213	55
Other 'Identified Staff'	223	10,318	465

ASI Europe ex UK Growth Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	112
of which			
Fixed remuneration		16,642	78
Variable remuneration		7,371	34
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	54
of which			
Senior Management ³	16	1,213	6
Other 'Identified Staff'	223	10,318	48

ASI Europe ex UK Income Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	970
of which			
Fixed remuneration		16,642	672
Variable remuneration		7,371	298
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	466
of which			
Senior Management ³	16	1,213	49
Other 'Identified Staff'	223	10,318	417

ASI Europe ex UK Smaller Companies Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	63
of which			
Fixed remuneration		16,642	44
Variable remuneration		7,371	19
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	30
of which			
Senior Management ³	16	1,213	3
Other 'Identified Staff'	223	10,318	27

ASI Global Balanced Growth Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	740
of which			
Fixed remuneration		16,642	513
Variable remuneration		7,371	227
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	356
of which			
Senior Management ³	16	1,213	38
Other 'Identified Staff'	223	10,318	318

ASI Global Income Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	165
of which			
Fixed remuneration		16,642	114
Variable remuneration		7,371	51
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	79
of which			
Senior Management ³	16	1,213	8
Other 'Identified Staff'	223	10,318	71

ASI Global Smaller Companies Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	1,699
of which			
Fixed remuneration		16,642	1,178
Variable remuneration		7,371	521
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	816
of which			
Senior Management ³	16	1,213	86
Other 'Identified Staff'	223	10,318	730

ASI Global Unconstrained Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	189
of which			
Fixed remuneration		16,642	131
Variable remuneration		7,371	58
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	91
of which			
Senior Management ³	16	1,213	10
Other 'Identified Staff'	223	10,318	81

ASI High Yield Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	556
of which			
Fixed remuneration		16,642	385
Variable remuneration		7,371	171
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	267
of which			
Senior Management ³	16	1,213	28
Other 'Identified Staff'	223	10,318	239

ASI Investment Grade Corporate Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	625
of which			
Fixed remuneration		16,642	433
Variable remuneration		7,371	192
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	300
of which			
Senior Management ³	16	1,213	32
Other 'Identified Staff'	223	10,318	268

ASI Japanese Growth Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	358
of which			
Fixed remuneration		16,642	248
Variable remuneration		7,371	110
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	172
of which			
Senior Management ³	16	1,213	18
Other 'Identified Staff'	223	10,318	154

ASI Short Duration Credit Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	274
of which			
Fixed remuneration		16,642	190
Variable remuneration		7,371	84
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	132
of which			
Senior Management ³	16	1,213	14
Other 'Identified Staff'	223	10,318	118

ASI UK Ethical Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	439
of which			
Fixed remuneration		16,642	304
Variable remuneration		7,371	135
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	211
of which			
Senior Management ³	16	1,213	22
Other 'Identified Staff'	223	10,318	189

ASI UK Government Bond Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	47
of which			
Fixed remuneration		16,642	33
Variable remuneration		7,371	14
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	23
of which			
Senior Management ³	16	1,213	3
Other 'Identified Staff'	223	10,318	20

ASI UK Growth Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	282
of which			
Fixed remuneration		16,642	195
Variable remuneration		7,371	87
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	136
of which			
Senior Management ³	16	1,213	15
Other 'Identified Staff'	223	10,318	121

ASI UK High Alpha Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	235
of which			
Fixed remuneration		16,642	163
Variable remuneration		7,371	72
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	113
of which			
Senior Management ³	16	1,213	12
Other 'Identified Staff'	223	10,318	101

ASI UK High Income Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	644
of which			
Fixed remuneration		16,642	446
Variable remuneration		7,371	198
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	309
of which			
Senior Management ³	16	1,213	32
Other 'Identified Staff'	223	10,318	277

ASI UK Opportunities Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	188
of which			
Fixed remuneration		16,642	130
Variable remuneration		7,371	58
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	90
of which			
Senior Management ³	16	1,213	9
Other 'Identified Staff'	223	10,318	81

ASI UK Recovery Equity Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	193
of which			
Fixed remuneration		16,642	134
Variable remuneration		7,371	59
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	93
of which			
Senior Management ³	16	1,213	10
Other 'Identified Staff'	223	10,318	83

ASI UK Smaller Companies Fund

	Headcount	Total Remuneration £'000	UCITS proportion £'000 ⁴
Aberdeen Standard Fund Managers Limited staff ¹	224	24,013	2,084
of which			
Fixed remuneration		16,642	1,444
Variable remuneration		7,371	640
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff' ²	239	11,531	1,001
of which			
Senior Management ³	16	1,213	106
Other 'Identified Staff'	223	10,318	895

- 1 As there are a number of individuals indirectly and directly employed by Aberdeen Standard Fund Managers Limited this figure represents an apportioned amount of SLA's total remuneration fixed and variable pay, apportioned to the relevant UCITS Fund on an AUM basis, plus any carried interest paid by the UCITS Fund. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.
- 2 The Identified Staff disclosure represents total compensation of those staff of the Management Company who are fully or partly involved in the activities of the Management Company, apportioned to the estimated time relevant to the Management Company, based on their time in role during the reporting period and the Management Company's proportion of SLA's total AUM. Across the 'Identified Staff', the average percentage of AUM allocation per individual based on work undertaken for Aberdeen Standard Fund Managers Limited as a Management Company was 18.46%.
- 3 Senior management are defined in this table as Management Company Directors and members of the Standard Life Aberdeen plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.
- 4 This figure represents an apportioned amount of the total remuneration of the 'Identified staff' attributable to the UCITS Fund allocated on an AUM basis.

Further Information

Constitution

Aberdeen Standard OEIC II (the “Company”), was incorporated under the FCA regulations. The Company is an open-ended investment company (OEIC) with variable capital under Regulation 14 of the Open-Ended Investment Companies Regulations 2001 (the “OEIC Regulations”). Consumers’ rights and protections, including any derived from EU legislation, are currently unaffected by the result of the UK referendum to leave the European Union and will remain unchanged unless and until the UK Government changes the applicable legislation.

Documentation and Prices

Copies of the current Prospectus and Key Investor Information Documents (KIIDs) for the Company, daily prices, together with the latest Annual (and if issued later the interim) Report and Accounts for any sub-funds, are available to download at aberdeenstandard.com. A paper copy of the Report and Accounts is available on request from the ACD.

Notices/Correspondence

Please send any notices to Aberdeen Standard Fund Managers Limited, PO Box 12233, Chelmsford, Essex CM99 2EE. Any notice to the ACD will only be effective when actually received by the ACD. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the ACD, and will be deemed to have been received three days after posting. Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation

If you need to complain about any aspect of our service, you should write to the Complaints Team, Aberdeen Standard Investments, 10 Queen’s Terrace, Aberdeen, AB10 1XL, who will initiate our formal complaints procedure. If you prefer, you may call the Complaints Team on 01224 404490 or email complaints@aberdeenstandard.com in the first instance.

Alternatively if you have a complaint about the Company or Funds you can contact the Depository directly. A leaflet detailing our complaints procedure is available on request. We will endeavour to respond your complaint as soon as possible and will notify you of our outcome within 8 weeks. If the complaint is not resolved by us to your satisfaction then you may have the right take your complaint to the Financial Ombudsman Service (FOS). To contact the FOS Service you should write to The Financial Ombudsman Service, Exchange Tower, London, E14 9SR, email complaint.info@financial-ombudsman.org.uk or telephone 0800 023 4567 (free for landlines and mobiles) or 0300 123 9123 (calls cost no more than calls to 01 and 02 numbers) or +44 20 7964 0500 (available from outside the UK – calls will be charged).

We are covered by the Financial Services Compensation Scheme, which means if we become insolvent, you may be entitled to compensation. The level of compensation will depend on the type of business and the circumstances of your claim. Investments are covered up to £85,000 for claims against firms that fail on or after 1 April 2019. Details are available from the FSCS Helpline on 0800 678 1100 or 020 7741 4100 and on the FSCS website: www.fscs.org.uk.

UCITS

The Funds were certified under the Undertaking for Collective Investment in Transferable Securities (UCITS) directive, which allows the ACD to market the Funds in member States of the European Union subject to relevant local laws, specifically marketing laws.

The above document is strictly for information purposes only and should not be considered as an offer, investment recommendation or solicitation, to deal in any of the investments or funds mentioned herein and does not constitute investment research. Aberdeen Standard Fund Managers Limited (Aberdeen Standard investments) does not warrant the accuracy, adequacy or completeness of the information and materials. Any research or analysis used in the preparation of this document has been procured by Aberdeen Standard investments for its own use and may have been acted on for its own purpose. The results thus obtained are made available only coincidentally and the information is not guaranteed as to its accuracy. Some of the information in this document may contain projections or other forward looking statements regarding future events or future financial performance of countries, markets or companies. These statements are only predictions and actual events or results may differ materially. The reader must make their own assessment of the relevance, accuracy and adequacy of the information contained in this document and make such independent investigations, as they may consider necessary or appropriate for the purpose of such assessment. Any opinion or estimate contained in this document is made on a general basis and is not to be relied on by the reader as advice. Neither Aberdeen Standard investments nor any of its employees, associated group companies or agents have given any consideration to nor have they or any of them made any investigation of the investment objectives, financial situation or particular need of the reader, any specific person or group of persons. Accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the reader, any person or group of persons acting on any information, opinion or estimate contained in this document. Aberdeen Standard investments reserves the right to make changes and corrections to any information in this document at any time, without notice.

Issued by Aberdeen Standard Fund Managers Limited. Authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Important Information

Unless otherwise indicated, this document refers only to the investment products, teams, processes and opinions of Aberdeen Standard Investments as at the date of publication.

